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NOTE

The term 'Britain' is used informally in the *Survey of Current Affairs* to mean the United Kingdom of Great Britain and Northern Ireland. 'Great Britain' comprises England, Wales and Scotland.

Recent Legislation

The public Acts of Parliament passed between the end of June and 29 July when the summer adjournment began are listed below. Twelve Acts were introduced by private members; these are indicated by asterisks.

**Access to Medical Reports Act 1988.* Establishes a right of access by individuals to reports relating to themselves provided by medical practitioners for employment or insurance purposes. Royal Assent: 29.7.88. Ch 28, ISBN 0 10 542888 4, HMSO, £1·30.

Appropriation Act 1988. Prescribes how expenditure is appropriated in order to finance specific public services. Royal Assent: 29.7.88. Ch 38, ISBN 0 10 543888 X, HMSO, £5·30.

British Steel Act 1988 (see pp 111-12). Royal Assent: 29.7.88. Ch 35, ISBN 0 10 543588 0, HMSO, £3.

Civil Evidence (Scotland) Act 1988. Reforms the law relating to corroboration of evidence and the admissibility of hearsay and other evidence in civil proceedings in Scotland. Royal Assent: 29.7.88. Ch 32, ISBN 0 10 543288 1, HMSO, £1·60.

**Community Health Councils (Access to Information) Act 1988.* Provides for access by the public to meetings of, and to certain documents and information relating to, community health councils and their committees. Royal Assent: 29.7.88. Ch 24, ISBN 0 10 542488 9, HMSO, 90p.

**Consumer Arbitration Agreements Act 1988.* Extends to consumers certain rights regarding agreements to refer future differences to arbitration. Royal Assent: 28.6.88. Ch 21, ISBN 0 10 542188 X, HMSO, £1·60.

Court of Session Act 1988. Consolidates certain enactments relating to the constitution, administration and procedure of the Scottish Court of Session. Royal Assent: 29.7.88. Ch 36, ISBN 0 10 543688 7, HMSO, £4·80.

Criminal Justice Act 1988 (see pp 39-40). Royal Assent: 29.7.88. Ch 33, ISBN 0 10 543388 8, HMSO, £11·80.

Dartford-Thurrock Crossing Act 1988. Provides for the construction of a new bridge across the River Thames at Dartford (see p 364, 1986). Work began in August 1988 and is being financed by Dartford River Crossing Ltd, a private sector company. It represents the first major road scheme in the twentieth century to be privately financed. Royal Assent: 28.6.88. Ch 20, ISBN 0 10 542088 3, HMSO, £6·50.

Education Reform Act 1988 (see pp 426-8, 1987, and pp 79 and 287). Royal Assent: 29.7.88. Ch 40, ISBN 0 10 544088 4, HMSO, £13·30.

Electricity (Financial Provisions) (Scotland) Act 1988. Makes provision for the statutory limit on the borrowings of the Scottish electricity boards to be increased from £2,700 million to £3,000 million. The limit applies to the total outstanding borrowings of the two boards taken together. Royal Assent: 29.7.88. Ch 37, ISBN 0 10 543788 3, HMSO, 50p.

**Environment and Safety Information Act 1988.* Requires all monitoring agencies responsible for public or environmental safety to keep available for public inspection a register of the notices that they issue. Royal Assent: 29.7.88. Ch 30, ISBN 0 10 543088 9, HMSO, £1·30.

Finance Act 1988 (see pp 135-40). Royal Assent: 29.7.88. Ch 39, ISBN 0 10 543988 6, HMSO, £11.80.

**Landlord and Tenant Act 1988.* Intended to ease and improve the conveyancing of leasehold properties, the Act applies to all commercial and residential leases containing covenants against assignment, and imposes on landlords the statutory duty to give consent to assign where it would be unreasonable to withhold consent. Royal Assent: 29.7.88. Ch 26, ISBN 0 10 542688 1, HMSO, 90p.

Legal Aid Act 1988. Makes new provision for the administration of legal aid, advice and assistance for people on lower incomes. Royal Assent: 29.7.88. Ch 34, ISBN 0 10 543488 4, HMSO, £5·90.

**Licensing (Retail Sales) Act 1988.* Amends certain provisions of the Licensing Act 1964. Royal Assent: 29.7.88. Ch 25, ISBN 0 10 542588 5, HMSO, 50p.

Local Government Finance Act 1988 (see pp 17-18). Royal Assent: 29.7.88. Ch 41, 0 10 544188 0, HMSO, £11·80.

**Malicious Communications Act 1988.* Makes it a criminal offence to send or deliver any letter or other article conveying either an indecent or grossly offensive message, or a threat, or false information with the purpose of causing distress or anxiety. Royal Assent: 29.7.88. Ch 27, ISBN 0 10 542788 8, HMSO, 50p.

**Motor Vehicles (Wearing of Rear Seat Belts by Children) Act 1988.* Makes provision for the wearing of seat belts by children when travelling in the rear of cars where restraints are fitted. Royal Assent: 28.6.88. Ch 23, ISBN 0 10 542388 2, HMSO, 90p.

**Protection Against Cruel Tethering Act 1988.* Protects horses, ponies and donkeys against cruel tethering. Royal Assent: 29.7.88. Ch 31, ISBN 0 10 543188 5, HMSO, 50p.

**Protection of Animals (Amendment) Act 1988.* Enables a court to disqualify a person from having custody of an animal on a first conviction of cruelty; increases the penalties for offences relating to animal fights in England and Wales; and penalises attendance at such fights in Scotland. Royal Assent: 29.7.88. Ch 29, ISBN 0 10 542988 0, HMSO, 90p.

**Scotch Whisky Act 1988.* Makes provision as to the definition of Scotch whisky, its manufacture and sale. Royal Assent: 28.6.88. Ch 22, ISBN 0 10 542288 6, HMSO, 90p.

**Solicitors (Scotland) Act 1988.* Amends the Solicitors (Scotland) Act 1980 with respect to the disciplining of solicitors in Scotland in cases of alleged inadequate professional services. Royal Assent: 29.7.88. Ch 42, ISBN 0 10 544288 7, HMSO, £2·60.

Ministerial Changes

The division of the Department of Health and Social Security into two separate departments – the Department of Health and the Department of Social Security, each with its own Secretary of State – and a number of other ministerial changes were announced by the Prime Minister's Office in July. The number of ministers in the Cabinet, including the Prime Minister, increases from 21 to 22.

New Appointments

The new appointments to the Cabinet are as follows:

Secretary of State for Health
Rt Hon Kenneth Clarke, QC, MP (former Chancellor of the Duchy of Lancaster and Minister of Trade and Industry)

Secretary of State for Social Security
Rt Hon John Moore, MP (former Secretary of State for Social Services)

Chancellor of the Duchy of Lancaster and Minister of Trade and Industry
Rt Hon Antony Newton, OBE, MP (former Minister of State, Department of Health and Social Security)

Other appointments are:

Ministry of Agriculture, Fisheries and Food
Parliamentary Secretary
Mr Richard Ryder, OBE, MP (former Assistant Whip)

Ministry of Defence
Minister of State
Hon Archibald Hamilton, MP

Department of Education and Science
Parliamentary Under-Secretary of State
Mr John Butcher, MP (former Parliamentary Under-Secretary of State, Department of Trade and Industry)

Department of Energy
Parliamentary Under-Secretary of State
The Baroness Hooper (former Parliamentary Under-Secretary of State, Department of Education and Science)

Department of the Environment
Minister of State
Rt Hon John Selwyn Gummer, MP (former Minister of State, Ministry of Agriculture, Fisheries and Food)

Parliamentary Under-Secretary of State
Mrs Virginia Bottomley, MP

Foreign and Commonwealth Office
Minister of State
Hon William Waldegrave, MP (former Minister of State, Department of the Environment)

Department of Health
Minister of State
Mr David Mellor, QC, MP (former Minister of State, Foreign and Commonwealth Office)

Parliamentary Under-Secretary of State
Mrs Edwina Currie, MP (former Parliamentary Under-Secretary of State, Department of Health and Social Security)

Northern Ireland Office
Minister of State
Mr Ian Stewart, MP (former Minister of State for the Armed Forces, Ministry of Defence)

Department of Social Security
Minister of State
Mr Nicholas Scott, MBE, MP (former Minister of State, Department of Health and Social Security)

Parliamentary Under-Secretaries of State
Mr Peter Lloyd, MP (former Lord Commissioner of the Treasury – a Government Whip)

The Lord Skelmersdale (former Parliamentary Under-Secretary of State, Department of Health and Social Security)

Department of Trade and Industry
Parliamentary Under-Secretary of State
Mr Eric Forth, MP

Department of Transport
Minister of State
Mr Michael Portillo, MP (former Parliamentary Under-Secretary of State, Department of Health and Social Security)

HM Treasury

Comptroller of the Household
Mr Tristan Garel-Jones, MP (former Vice-Chamberlain of the Household)

Vice-Chamberlain of the Household
Mr Michael Neubert, MP (former Lord Commissioner of the Treasury – a Government Whip)

Lords Commissioners of the Treasury (Government Whips in the House of Commons)
Mr Kenneth Carlisle, MP (former Assistant Whip)
Mr Alan Howarth, CBE, MP (former Assistant Whip)
Mr David Maclean, MP (former Assistant Whip)

Assistant Government Whips in the House of Commons
Mr John Taylor, MP
Mr David Heathcoat-Amory, MP
Hon Tom Sackville, MP
Mr Michael Fallon, MP

Lord in Waiting (Government Whip in the House of Lords)
The Lord Strathclyde

Resignations

The following ministers have tendered their resignations; their former posts are given in brackets:

Rt Hon John Stanley, MP (Minister of State, Northern Ireland Office)

Mr David Mitchell, MP (Minister of State, Department of Transport)

Mr Robert Dunn, MP (Parliamentary Under-Secretary of State, Department of Education and Science)

Mrs Marion Roe, MP (Parliamentary Under-Secretary of State, Department of the Environment)

Hon Robert Boscawen, MP (Comptroller of the Household)

Hon Mark Lennox-Boyd, MP (Lord Commissioner of the Treasury)

The Lord Beaverbrook (Lord in Waiting – a Government Whip in the House of Lords)

Knighthoods are to be conferred on Mr John Stanley and Mr David Mitchell upon leaving ministerial office.

The Hon Mark Lennox-Boyd, MP, who resigned as a Lord Commissioner of the Treasury, has been appointed Parliamentary Private Secretary to the Prime Minister.

Departmental Changes

The Department of Health and Social Security will be divided into two new Departments: the Department of Health, under the Secretary of State for Health, the Rt Hon Kenneth Clarke, and the Department of Social Security, under the Secretary of State for Social Security, the Rt Hon John Moore.

The Cabinet

Following the new appointments, the number of Cabinet ministers, including the Prime Minister, is now 22. The composition of the Cabinet is as follows:

Prime Minister, First Lord of the Treasury and Minister for the Civil Service
Rt Hon Margaret Thatcher, FRS, MP

Secretary of State for Foreign and Commonwealth Affairs and Minister of Overseas Development
Rt Hon Sir Geoffrey Howe, QC, MP

Chancellor of the Exchequer
Rt Hon Nigel Lawson, MP

Lord Chancellor
Rt Hon The Lord Mackay of Clashfern

Secretary of State for the Home Department
Rt Hon Douglas Hurd, CBE, MP

Secretary of State for Wales
Rt Hon Peter Walker, MBE, MP

Secretary of State for Defence
Rt Hon George Younger, TD, MP

Secretary of State for Employment
Rt Hon Norman Fowler, MP

Secretary of State for Northern Ireland
Rt Hon Tom King, MP

Secretary of State for the Environment
Rt Hon Nicholas Ridley, MP

Secretary of State for Trade and Industry
Rt Hon The Lord Young of Graffham

Secretary of State for Education and Science
Rt Hon Kenneth Baker, MP

Secretary of State for Health
Rt Hon Kenneth Clarke, QC, MP

Minister of Agriculture, Fisheries and Food
Rt Hon John MacGregor, OBE, MP

Secretary of State for Scotland
Rt Hon Malcolm Rifkind, QC, MP

Secretary of State for Transport
Rt Hon Paul Channon, MP

Secretary of State for Social Security
Rt Hon John Moore, MP

Lord President of the Council and Leader of the House of Commons
Rt Hon John Wakeham, MP

Lord Privy Seal and Leader of the House of Lords
Rt Hon The Lord Belstead

Secretary of State for Energy
Rt Hon Cecil Parkinson, MP

Chief Secretary to the Treasury
Rt Hon John Major, MP

Chancellor of the Duchy of Lancaster and Minister of Trade and Industry
Rt Hon Antony Newton, OBE, MP

For a full list of government ministers, see COI reference paper *United Kingdom Government Ministers*, No 61/88/1.

Remand Prisoners and the Private Sector

Proposals on possible involvement of the private sector regarding the custody of remand prisoners awaiting trial and the escort of remand prisoners in England and Wales were published in a Green Paper, in July.[1]

The Green Paper, a consultative document, sets out the options for the contracting out of the custody of remand prisoners in order to help relieve prison overcrowding, provide better conditions for prisoners and improve value for money. A team of management consultants is to be appointed to investigate the feasibility of privately managed remand units and the Government expects to receive the findings towards the end of 1988.

The Context

Noting that effective and civilised arrangements for holding people remanded in custody by courts before trial are essential to the proper administration of justice, the Government says that they must ensure that defendants appear for trial at the right time, do not interfere with witnesses or otherwise pervert the course of justice, and do not commit further offences. At the same time the defendant has to be enabled to prepare his or her case and remand prisoners charged with, but not convicted of, an offence need facilities reflecting this status. Remand prisoners in practice, however, tend to be held in local prisons and remand centres where overcrowding is at its worst. In addition, considerable numbers have been held in police cells, accommodation that is unsuited for this purpose.

The Green Paper points out that a series of steps has been taken to reduce the number of prisoners remanded in custody. Eight pilot bail information schemes, initiated by the Association of Chief Officers of Probation, have been created to improve the information about defendants available to the Crown Prosecution Service (CPS). The schemes have enabled the CPS to take more informed decisions on whether to oppose bail, and courts to make more use of bail, without any increase in the failure rate of those on bail.

The Government is to provide nine new bail hostels by 1990, bringing the total to 25. There are also 85 approved combined probation and bail hostels for defendants not requiring a high degree of supervision. The Government is considering whether privately managed bail hostels should be developed to provide more secure conditions for other kinds of defendant; this would involve a 12-hour curfew and a more structured daytime programme.

The Green Paper points out that, under powers contained in the Prosecution of Offences Act 1985, statutory time limits on the period of custody awaiting trial are in force in 13 English counties and throughout Wales. These are due to be extended to the rest of England by the end of 1990.

Pressure on local prisons can also be relieved by measures to tackle the size of the sentenced population through greater use of community penalties, the Government believes (see p 259). At the same time the number of prison places is being expanded to reduce overcrowding and improve conditions; the programme includes 26 new prisons, of which six are already in use, and over £1,000 million is being spent to provide 22,000 new places by the mid-1990s. The building programme is being supervised by the Prisons Building Board, which has invited the private sector to make proposals for building remand or open establishments faster than in the past, using innovative methods and designs.

Contracting Out

Noting that the House of Commons Home Affairs Committee had, in 1987, recommended an experiment in contracting out remand centre operations to the private sector, the Green Paper says that, because of the different purpose of remand, as opposed to the sentence of imprisonment, the running of a remand centre by a private company would raise fewer difficult operational questions or issues of principle. The length of time for which a sentenced prisoner stays in prison is, in the case of those eligible for parole, influenced by reports and assessments of staff, and decisions in disciplinary proceedings can lead to loss of remission. 'There is understandable unease that such decisions should be taken with the involvement of private contractors and their staff.'

In contrast the regime for remand prisoners, as unconvicted inmates subject to the authority of the courts, is more suitable for the involvement of private contractors since they are detained as a preventive measure for relatively short periods. Although regimes for sentenced prisoners also have an important preventive function, they require a wider range of resources and expertise to deal with inmate education, work or recreation and to meet their medical, psychological and psychiatric needs.

The Government also believes that it would be sensible to review the options for private sector involvement in such functions as collecting prisoners from prisons, delivering them to particular courts for a particular time and then returning them safely to custody.

The Green Paper says that, in considering private sector participation, the Government's objective is to improve the cost-effectiveness of the remand system by making additional remand accommodation available more quickly and flexibly, thus accelerating the process of eliminating overcrowding and improving remand prisoners' conditions; reducing costs; and releasing prison and police officers for work making better use of their skills and training than the relatively mundane tasks of detaining or escorting remand prisoners. Before the private sector could be involved, however, arrangements would have to be secure enough to protect the public from danger, to safeguard against any interference in the administration of justice, and to ensure that prisoners were treated no less humanely than in the normal prison system and that their rights were properly safeguarded. 'Before proceeding it would also be important to be satisfied, through market testing, that private sector involvement would, in any particular instance, bring value for money improvements.'

[1] *Private Sector Involvement in the Remand System.* Cm 434. HMSO, £3·20. ISBN 0 10 104342 2.

The Options

The range of options to be considered includes contracts covering both provision and operation of remand centres as a whole package; contracts for the operation alone of new remand centres, separately from arrangements for building them; the escorting of remand prisoners between courts and contracted-out remand centres; contracts covering any or all of a wider range of escorting functions; and contracts for the custody of prisoners at magistrates' courts and the Crown Court.

Issues Arising

The Green Paper says that contracts would have to be commercially viable, decisions would have to be made about the length of contracts, and sanctions would be required to enforce standards. In addition, the prison service, the police, the courts, the probation service and the Crown Prosecution Service – each with a stake in the effective and economical operation of any new arrangements – would have to be satisfied that contractors were meeting their requirements and were able to put things right if they were not.

Supervision would – in the first instance – be a matter for the organisation letting the contract, which would have to be able to monitor and control the contract on its own behalf and that of other interested parties. An acceptable scheme for so doing would need to be specified in the terms of the contract. The Green Paper suggests that a Home Office official might also be stationed in, or regularly visit, a contracted-out remand centre, and report on its performance to the Home Secretary through the Prison Department. The contractor would have to maintain and, where necessary, submit suitable records, statistics and other management information to the Home Secretary and to co-operate in research projects. Decisions would also be necessary with respect to confidentiality of, and access to, such records.

On the nature of the remand centre regime, contracts would have to set clear and enforceable standards regarding the results to be achieved. Existing rights and privileges of remand prisoners would remain unchanged.[1]

Pointing out that a remand centre should be secure enough for the prisoners held in it, the Green Paper says that very high risk prisoners would probably have to be handled within the existing system by the police and prison services.

The Green Paper emphasises that contractors and their staff would need to operate on a proper legal footing which would cover powers over prisoners and suitable means of redress for those who felt that they had been wrongly treated. There would also be need for prisoners' lawyers and families to ventilate any complaints about conditions or the facilities provided for them. These issues would be considered further in the light of the scope and nature of the role the private sector should have in the handling of remand prisoners. 'If, for example, contractors' staff were to work under the direct supervision of police or prison officers, ordinary citizens' powers might be sufficient. But if this were not the case, powers of arrest and detention comparable to those of a police or prison officer might need to be conferred, with safeguards against their abuse.'

Conclusion

Arguing that the potential benefits to both prisons and the whole of the criminal justice system are sufficient to justify further study of principles and practicalities, the Green Paper says that the management consultants will identify blocks of work within the remand system which could form viable and discrete contracted-out operations; devise means to assess proposals from private companies against relevant criteria including value for money; draw up performance criteria for contracts; recommend management systems; and look at the bases for payment and terms of contracts.

[1]As unconvicted inmates, remand prisoners are permitted to wear their own clothing, to send and receive an unlimited number of letters, to have daily visits and to make urgent telephone calls.

Punishment within the Community

Government proposals for the increased use of non-custodial treatment for offenders in England and Wales, and their punishment within the community, were published in a Green Paper, a consultative document, in July.[1]

The Green Paper describes work already being done and sets out further ideas for consideration on who should be sent to prison, the components of punishment within the community and a new non-custodial sentence.

Noting that 69,000 offenders were sentenced to custody for indictable offences in England and Wales in 1987 and emphasising that this is the right punishment for those guilty of very serious offences, the Green Paper questions whether imprisonment is the most effective one for less serious offenders: 'Imprisonment restricts offenders' liberty, but it also reduces their responsibility: they are not required to face up to what they have done and to the effect on their victim or to make any recompense to the victim or the public. If offenders are not imprisoned, they are more likely to be able to pay compensation to their victims and to make some reparation to the community through useful unpaid work. Their liberty can be restricted without putting them behind prison walls.'

The Government therefore believes that, when a financial penalty alone is inadequate, the penalty should, where possible, involve restrictions on the offender's freedom of action, action to reduce the risk of further offending, and reparation to the community and, where possible, compensation to the victim. These three objectives, says the Green Paper, can often best be met by supervising and punishing the offender in the community. Imprisonment should be reserved as punishment for very serious offences, especially when the offender is violent and a continuing risk to the public.

[1]*Punishment, Custody and the Community.* Cm 424. HMSO, £3·60. ISBN 0 10 104242 6.

Existing Sentences

Courts in England and Wales have a very wide range of non-custodial punishments including wholly or partially suspended sentences of imprisonment, community service orders, attendance centre orders for young offenders under 21, compensation orders, fines or fixed penalties. In addition, there are supervision orders and care orders for juveniles under 17, and probation orders. There are also absolute or conditional discharges. Community service, supervision and probation orders account for a fifth of all the sentences given by the criminal courts for indictable offences and in 1987, 74,000 offenders received one of these orders.

Most of these court orders or sentences place restrictions on offenders' freedom of action. Community service orders and attendance centre orders oblige offenders to carry out compulsory activities at a specified time and place. Requirements in probation or supervision orders can make similar demands to attend a day centre or take part in programmes of intermediate treatment; even without such requirements a probation or supervision order means that a probation officer or social worker will intervene in the life of the offender in order to improve his or her behaviour. A conditional discharge is designed to discourage further offending by making the offender liable to punishment for the offence if he or she is convicted of a further offence within a specified period.

Community Service

Introduced in 1973, the community service order may only be imposed for imprisonable offences and is designed for offenders who would otherwise be at risk of custody. An order specifies the total number of hours' work to be performed between a minimum of 40 hours and a maximum of 240 hours (120 hours for 16-year-olds) over a twelve-month period. Because it involves compulsory work, an order is made with the offender's consent since the European Convention on Human Rights forbids forced labour.

Offenders work unpaid for public and voluntary organisations under arrangements made by the probation service. The work may include clearance and conservation work, gardening and decorating, or helping disabled people go shopping. The Green Paper says that community service should be rigorous and demanding and that the work should be beneficial to the community. The Government therefore intends to make rules introducing national standards for the operation of community service. These standards will lay down the type of work to be done by offenders, the way hours worked should be reckoned, standards of performance and behaviour and the action to be taken if an offender fails to comply with the requirements of the order (see p 190).

Compensation

The Powers of Criminal Courts Act 1973 empowers courts to require an offender to pay compensation to the victim for an injury, loss or damage. This power was strengthened in 1982 to enable courts to order the payment of compensation either instead of, or in addition to, dealing with the offender in any other way. The provisions of the Criminal Justice Act 1988 (see p 380, 1986) would require a court to consider in every relevant case whether a compensation order should be made, and to give reasons if it chose not to make such an order.

Probation

An offender given a probation order is left at liberty but is subject to certain requirements about his or her way of life, including an obligation to co-operate with the supervising officer. The order lasts for between six months and three years. The Green Paper says that the Home Office will be asking the probation service to review its activities and to develop a programme of action in each of the 56 probation areas, aimed at ensuring that the supervision of serious offenders in the community commands the confidence of the public and the courts.

New Supervision and Restriction Order

Noting that most people in prison have not been convicted of violent offences, the Green Paper says that the use of imprisonment could be reduced by punishment in the community under which a new supervision and restriction order would place a wide range of requirements on offenders; these might include compensation to the victim, community service, residence at a hostel or other approved place, prescribed activities at a day centre or elsewhere, curfew or house arrest, or tracking an offender's whereabouts. The Government suggests that electronic monitoring could help to enforce an order requiring offenders to stay at home for a limited period.[1]

Such an order would be used for more serious offenders who at present would receive a custodial sentence. It would also be an addition to, and be more severe than, existing non-custodial sentences. 'Leaving the other disposals in place would make it clear that the new order was reserved for those for whom other disposals were not sufficient.' Because the new order would be flexible, it could be used repeatedly for persistent offenders. The aim would be to make a sharp initial impact on offenders, at the same time offering them the prospect of less rigorous forms of supervision, subject to good behaviour, and under judicial supervision. This would give the offender an incentive to co-operate. Judicial oversight would involve a magistrate relaxing requirements if good progress was made or, if necessary, reimposing requirements if the offender's response deteriorated.

Since a supervision and restriction order would be intensive in its initial stages, the minimum length could be three months, compared with six months for probation, and the maximum 18 months or two years.

Young Offenders

It is considered that punishment in the community would be particularly suitable for young men and women offenders likely to grow out of crime. Noting that young people aged between 10 and 17 who are

[1]Electronic monitoring is used in North America to enforce an order requiring offenders to stay at home. In some systems the offender wears a miniature transmitter which emits a continuous signal retransmitted from his or her home to a central monitoring point. In other systems the supervisor uses the signal from the monitoring tag to verify that the offender is in a specified place.

charged with a criminal offence normally appear before a juvenile court, the Government considers that the age limit for the juvenile court could be raised to the age of 18, the age of majority. There could also be advantages in some flexibility in dealing with those aged between 16 and 21 so that their cases could be heard in either the juvenile or the adult courts. This would enable immature or otherwise vulnerable defendants to come before the juvenile court and the very mature 16- or 17-year-old to appear in an adult court.

Organisation

Noting that the supervision of offenders in the community is the responsibility of the probation service, the Green Paper says that in the short term no other existing service is better placed to supervise offenders by ensuring that they act in accordance with the requirements of their order and initiating breach proceedings if they do not. The probation service could, however, contract with other services – and private and voluntary organisations – to obtain some of the components of punishment in the community, while still supervising the order.

Another possibility would be the creation of a new organisation which would contract with other services and organisations to supervise offenders or provide facilities directly. This could be part of the Home Office or a separate non-departmental body and would be able to set national standards and to enforce them.

Shorter Notes

NEW OPPOSITION PARTY LEADER

Mr Paddy Ashdown, MP, became the first elected leader of the Social and Liberal Democrats (SLD) on 28 July, following the result of a postal ballot of members of the party.

Mr Ashdown, MP for Yeovil since 1983, obtained a majority of 25,199 votes over the other candidate, Mr Alan Beith, MP for Berwick-upon-Tweed. Mr Ashdown received 41,401 votes (71·9 per cent) and Mr Beith 16,202 (28·1 per cent). Votes were cast by 72 per cent of party members.

Mr Ashdown replaces Mr David Steel, MP, and Mr Robert Maclennan, MP, who had been joint leaders of the party since its formation in March (see p 94). The SLD is represented in the House of Commons by 19 MPs.

STRENGTHENING LOCAL DEMOCRACY

The Government's response to the report of the Widdicombe Committee on the conduct of local authority business (see p 209, 1986) was published as a White Paper[1] on 21 July. In its response, the Government accepts the main conclusion of the Widdicombe report – that increased politicisation in local government affairs requires new measures to strengthen the democratic functioning of local authorities. The proposals in the White Paper include:

1 a requirement that council committees should reflect the political composition of the council;

2 the removal of voting powers from co-opted members of decision-making committees (exceptions to this would include representatives on education committees of churches and other organisations providing voluntary schools, and magistrates appointed to police committees);

3 a prohibition on chief and deputy chief officers and others who advise, or act on behalf of, local authorities being members of other local authorities or undertaking public political activity;

4 a requirement to appoint officers to advise on the legality and propriety of the authority's activities and on the management of its services.

Other areas covered include a requirement for a statutory register of councillors' financial interests; a new basic flat-rate allowance for councillors in place of the present attendance and financial loss allowances; and a new circumscribed power for local authorities to undertake economic development activity in place of existing powers.

In a written answer in the House of Commons on 21 July, Mr Michael Howard, Minister of State at the Department of the Environment, said that the thorough work of the Widdicombe Committee and the widespread consultation on its recommendations had provided the basis for an effective overhaul of the way in which local government operated. Coupled with existing legislative changes and with the changes in attitude which were now becoming apparent, the proposals would help to keep the local government system in Britain functioning on a secure basis and enable it to carry on its essential work into the next century.

Some of the proposals made by the Widdicombe Committee have already been implemented. These are contained in the Local Government Act 1988 and include the granting of powers to local authority auditors to prevent councils from incurring unlawful expenditure or loss (see p 131), and enabling the local government ombudsman to consider complaints received direct from members of the public (see pp 225-7, 1987).

Sources: *Hansard*, Vol 137, No 193, Part II, written answers, cols 828-30; Department of the Environment press notice, 21.7.88.

[1] *The Conduct of Local Authority Business: The Government Response to the Report of the Widdicombe Committee of Inquiry.* Cm 433. HMSO, £5·90. ISBN 0 10 104332 5.

CIVIL SERVICE MANAGEMENT REFORMS

On 25 July the Minister of State at the Privy Council Office, Mr Richard Luce, reported further progress in the Government's plans for setting up executive agencies within departments, to deliver certain government services, as announced by the Prime Minister in February (see p 94). Mr Luce told the House of Commons that 29 areas of government employing some 170,000 civil servants were now

candidates for executive agency status, and one of these, the Vehicle Inspectorate in the Department of Transport, would be established as an agency on 1 August. Mr Luce added that the Companies Registration Office, the Department of Social Security's resettlement units and the Employment Service were likely to follow. An action plan had been drawn up in conjunction with departments, aimed at reorienting training and career management, so that staff were properly trained and experienced in managing the delivery of services. At the same time attention was being paid to the scope for giving greater personal responsibility to managers throughout the service, including the scope for increased financial flexibilities and more local responsibilities in pay and personnel matters. Mr Luce said that he would report further before the end of the year.

In a separate announcement in the House of Commons on 25 July, details of the new status of the Vehicle Inspectorate were given by the Secretary of State for Transport, Mr Paul Channon. He said that the present head of the Inspectorate would be the new agency's first chief executive and clear responsibility for day-to-day management would be delegated to him and his management team. Local management would have enhanced responsibilities in the areas of finance, contracts and personnel management and greater scope for developing new business initiatives. Performance incentives would be introduced to encourage staff to increase efficiency and to make more productive use of public assets and so improve services to the public. The Government intended to review the Inspectorate's financial regime in order to find ways of mirroring as closely as possible the financial disciplines of a private sector business. In addition to its annual report and accounts, the Inspectorate would publish an annual business plan.

Commenting later, Mr Channon said that the Vehicle Inspectorate was a large organisation by private sector standards and would benefit considerably from the greater autonomy, clearer objectives and heightened sense of corporate identity which executive agency status would bring. Accountability to Parliament would not be affected by the change in status.

Sources: *Hansard*, Vol 138, No 196, written answers, cols 66-7, and Vol 138, No 197, written answers, cols 147-8; Department of Transport press notice, 25.7.88.

The British Council

Details of the British Council's support for British cultural events in other countries, its English language teaching activities and its work in developing countries are set out in its annual report for 1987-88.

The British Council, which published its annual report in July,[1] is a non-profit-making body registered as a charity in Britain, and aims to project Britain through cultural, educational and technical co-operation. Its activities include the teaching of English and the recruitment of British teachers for posts overseas; administering the Government's educational assistance and technical co-operation training programmes; fostering personal contacts between British and overseas people, especially in the educational, professional and scientific areas; running, or helping to maintain, libraries of British books and periodicals overseas and providing information through touring exhibitions and bibliographical services; and presenting overseas the best of British arts and culture. In Britain, the Council is concerned mainly with arranging programmes for professional visitors and with the placing, administration and welfare of overseas students.

Cultural Relations

The report emphasises the significance of the Government's statement, in its response to the House of Commons Foreign Affairs Committee's report on cultural diplomacy (see p 362, 1987), that cultural relations are central to Britain's international relations and that the British Council is the principal instrument for undertaking them. Cultural relations, the report says, are a third pillar of international relations, supporting political and commercial relations but distinct from them. The Council is working in an increasingly demanding environment and the fact that it has to compete vigorously with the efforts of other countries in cultural relations is of benefit as this competition both increases international understanding and helps the development of poorer countries. Britain, says the report, has a unique contribution to make in higher education, medicine, law and architecture; in arts and literature; and in the English language, used internationally in science and technology, travel and tourism, in the arts and in commerce.

[1] *The British Council Report 1987-88.* Available free from the British Council, 10 Spring Gardens, London SW1A 2BN. ISBN 0 86355 067 3.

The British Council's Budget

The British Council's budget in 1987-88 was £261 million: it was made up of a principal government grant of £75·9 million from the Foreign and Commonwealth Office and its Overseas Development Administration (ODA); funds of £124·5 million provided for British government education and training schemes and projects, mostly in developing countries; £58·3 million earned directly by the Council; and a provision of £2·3 million for security costs. The grant pays for the Council's services aimed at people who are or will be in influential positions overseas, and for promoting education, books, the arts and sciences; it also funds much of the Council's work in the developed world and Eastern Europe where revenue-earning opportunities are limited, and is necessary for the Council so that it can pursue opportunities which lead to joint funding ventures. Government programmes are run by the Council as the agent of the ODA and the Foreign and Commonwealth Office. The British Council earnings derive mainly from English language teaching (£24·6 million) and educational services (£22·2 million); examinations, courses and library fees provided £11·5 million. In addition, business sponsorship brought in £670,000, while a further £3 million was contributed by commercial sponsors towards events with which the Council was involved.

Council Activities

English Language Teaching

The Council has 50 English teaching centres in 31 countries teaching 60,400 students (with more centres being planned in Colombia, Israel and Tunisia). Student numbers rose by nearly 4,500 (8 per cent) in 1987-88. Most students are learning English for professional purposes and include clients from governments, commerce and industry. The Council's English Language Test Service, run in partnership with the University of Cambridge Local Examinations Syndicate, assessed the study skills of 15,000 candidates in 150 centres in 1987-88. The British Council also manages an extensive programme of English teaching for development purposes and has 200 English language advisers and teachers in 50 countries, funded by the ODA and from the Council's government grant. Many of these specialists are involved in the development of English studies in universities.

Overseas Development

The report points out that over half the Council's operations are in developing countries, in particular with regard to education, training, books and information. Much of the Council's expenditure derives from projects and training schemes funded by the ODA, especially in Africa and Asia. Over 11,000 people were studying and carrying out research in Britain under the technical co-operation training programme during 1987-88, when the Council handled aid work worth £115 million (44 per cent of its total turnover). It worked with the ODA and the Crown Agents to supply 7,000 science kits for new junior secondary schools in Ghana[1] and provided, with the ODA, training in water quality control for Mexico in the aftermath of earthquakes. The Council is also competing for aid projects funded by multilateral development agencies such as the World Bank, the United Nations, the European Development Fund and the Asian Development Bank. The report says that the value of educational contracts has doubled from £3·5 million in 1985-86 to £7 million in 1987-88. The Council is currently implementing 30 contracts for the management of education and training projects (such as training of oilfield workers and agricultural and technical teachers) in 12 countries, with Indonesia, the People's Republic of China and Turkey being the major clients.

Establishing Links with Britain

Over 28,000 people (of whom 18,550 were new arrivals) came to Britain during 1987-88 for study or specialist visits, making this the British Council's largest single activity. These visits enable people to make contacts in Britain and assess British capabilities that may be useful to them later in their lives. Apart from ODA and Foreign and Commonwealth Office schemes, the Council provided 1,682 fellowships and organised 3,212 short-term professional visits to Britain. Many of these visitors pay all or part of the costs and the remainder are funded by their own governments or international agencies. Training in Britain for 3,340 people on a client-funded basis was also arranged during the year.

Promoting English Education

There was a rise in the number of overseas students in British higher education. The Council's service, which promotes British universities, polytechnics and further and higher education colleges and institutions, counsels potential overseas students and is supported by subscriptions from most of the eligible British educational institutions. Following the success of the Council's educational service in promoting British education in Malaysia, Hong Kong and Singapore, the British Council has extended its service to Japan and Korea and a similar service was established in 1987-88 to operate in the Middle East and South-East Asia. The Council sent out educational promotion missions to Jordan, Thailand and the Gulf States and five other countries. After an exchange of visits arranged by the Council, the Indonesian Government is to send 400 students for training in Britain funded by loans from the World Bank and the Asian Development Bank. The Council has also been establishing academic links between Britain and overseas institutions over a number of years. A total of 3,127 specialists went to other countries under Council auspices in 1987-88 to lecture, advise or establish joint research projects, while 45 professional seminars and summer schools designed by the Council to introduce overseas specialists to the latest British developments attracted over 2,000 people from 100 countries.

Almost half the programmes involving the interchange of people are in the scientific and technological fields.

Books, Libraries and Information

Some 116 Council libraries and information centres around the world handled 7·4 million book loans and 750,000 enquiries concerning education in Britain in 1987-88. Membership of Council and associated libraries increased by nearly 3 per cent to 430,000, and their users contributed £1·2 million to costs. The library services are geared to the needs of local users and range from textbooks in Africa to business and industrial material in countries like Turkey, and on-line databases in Europe. The Council also runs the ODA's £3 million books presentation programme and arranged presentations to 1,100 institutions in more than 100 countries. It worked with the Publishers Association to win a research commission from the World Bank on the provision of books, libraries and information in six African countries, which could lead to British involvement in local textbook publishing and library development. The Council is helping in the organisation of a new project in Africa aimed at getting surplus British textbooks into African schools. To increase Britain's share of the overseas book market through publications, market information and participation in book fairs, the British Council relaunched in 1987 *British Book News*, which lists some 1,000 forthcoming books each month, and goes to 8,500 libraries and bookbuyers in the world. The first permanent British publications display centre in South-East Asia was set up by the Council in Indonesia, and guides to selecting and ordering British books and journals have been made available in Bahasa Indonesia and Mandarin. The Council also produced *Selling British Books in Spain*.

Britain's Arts

The annual report emphasises that arts events overseas demonstrate Britain's creativity and open new avenues for British artists abroad. Research carried out by the Policy Studies Institute has estimated the direct return to Britain in overseas earnings from the Council's arts work as four times the expenditure over a given period. About £3 million – funded by the government grant and supplemented by business sponsorships – was spent in direct subsidies in 1987-88 to support almost 700 events in the Council's arts programme, including jazz and rock concerts for younger audiences, and British participation (in co-operation with the film industry) in 35 international film festivals and 45 other film

[1]For further information see p 204 and COI reference paper *The Crown Agents*, No 66/88.

events. There were also exhibitions of the works of the painter Lucian Freud (in Washington, Paris and Berlin), and of the sculptor Henry Moore in India; the latter, which was partly funded by British companies, was attended by more than 150,000 people. The Council also sponsored performances of Benjamin Britten's *War Requiem* in Berlin, which was the subject of the first ever simultaneous broadcast by television organisations of the Federal Republic of Germany and the German Democratic Republic; and by the Royal Ballet in the Soviet Union for the first time in 26 years (in Moscow and Leningrad). The British Council also helped to promote new British satellite television channels in Europe.

More details of the British Council's activities in a selective number of countries are to be found in a special section in the report.

Hong Kong

Britain has welcomed the present process of consultation by the Chinese Government in drawing up a first draft of the Basic Law covering virtually all the provisions of the 1984 Joint Declaration on the future of Hong Kong signed by both Governments in 1984. At the same time the British Government believes that the draft should be amended to take account of some genuine anxieties that have emerged in Hong Kong and the British Parliament, where a debate took place in the House of Commons on 15 July.

Background

The 1898 Convention of Peking leased the New Territories – covering 92 per cent of the land area of Hong Kong – to Britain for 99 years from 1 July 1898. Because of the expiry of the lease in 1997, Britain started negotiations with the People's Republic of China in 1982 on the future of the territory. In 1984 both Britain and China signed an agreement providing for the ending of British sovereignty and jurisdiction over Hong Kong and the preservation of Hong Kong's economic system and way of life for 50 years after 1 July 1997 as a Special Administrative Region (SAR) of China. The agreement consists of a Joint Declaration by the two Governments and three annexes, one of which is an elaboration by the Chinese Government of its basic policies regarding Hong Kong after 1997; the other two relate to the establishment of a Sino-British Joint Liaison Group and the question of land leases.

In accordance with the Joint Declaration, the Chinese Government has drawn up a draft Basic Law stipulating the policies included in the Declaration. A Basic Law Drafting Committee, with 23 Hong Kong representatives among its 59 members, was appointed and China formed a Basic Law Consultative Committee in Hong Kong to assist with the collection of views and information as to what the Basic Law should contain. The first draft of the Basic Law was published in April.

PARLIAMENTARY DEBATE

Foreign and Commonwealth Secretary's Speech

Opening the debate (*Hansard*, Vol 137, No 188, cols 690-752), the Foreign and Commonwealth Secretary, Sir Geoffrey Howe, said that Hong Kong ranked high in the Government's priorities and Britain's responsibilities towards it were special. The debate was important because the people of Hong Kong were engaged in a vigorous debate on the draft of the Basic Law, a document which would play a crucial role in giving effect to the provisions of the Sino-British Joint Declaration.

The Basic Law

Under international law, Sir Geoffrey pointed out, Britain and the People's Republic of China had important obligations to each other regarding their Joint Declaration. The Chinese Government had the responsibility for drafting the Basic Law while the British Government had a right to assure itself that the principles embodied in the Declaration were faithfully implemented in the Basic Law. In addition, both countries had a common obligation to the people of Hong Kong.

Sir Geoffrey emphasised that the process of consultation over the draft Basic Law was being conducted by the Chinese authorities in a thorough and painstaking fashion. Mainland and Hong Kong members had worked together for over two years in the Basic Law Drafting Committee to draw up a text that addressed the interests of all concerned. There had been seven plenary meetings of the committee and innumerable meetings of its sub-committees. Moreover, 23 of the 59 members of the committee were Hong Kong people covering a diverse range of interests. The process of drafting had been remarkably open and there had been a free exchange of views within the committee. In addition, the Basic Law Consultative Committee, comprising some 180 people in Hong Kong, had mounted an extensive publicity campaign to collect views among the Hong Kong public. The Chinese Government had made it clear that there was still a good deal of room for improvement in the text and that amendments would be made. There was thus scope for all Hong Kong people to make an input into the drafting process and they were making their views known.

Britain hoped and believed that the Chinese authorities would take careful account of all views expressed since it was in China's interests to get the Basic Law right in order to maintain confidence in Hong Kong and secure its future beyond 1997. 'The Chinese know as well as we do that the success of the arrangements that are being made for Hong Kong's future depend upon what Hong Kong people themselves think of them, so they will certainly want a Basic Law to emerge that can command the confidence and respect of people in Hong Kong and the wider international community.'

The British Government was following the public debate in Hong Kong extremely closely. Detailed and useful discussions had been held with a delegation of Hong Kong lawyers and there was regular contact between the British and Chinese Governments. The British Government was taking care to submit to the Chinese Government the views and concerns expressed by bodies and individuals in Hong Kong and in Britain. 'We ensure that the

Chinese Government are made aware of the views expressed in both Houses ... there is no question of us subordinating the interests of Hong Kong to some concept of an Anglo-Chinese relationship that excludes Hong Kong. On the contrary, far and away the most important component of the Anglo-Chinese relationship is our joint commitment to the success of Hong Kong.'

Turning to the draft Basic Law, Sir Geoffrey described it as a large comprehensive document covering virtually all the provisions of the Joint Declaration. Most of the text was along the right lines and the main remaining areas of concern in Hong Kong had clearly emerged and were being addressed. The first concern was autonomy; noting that the question had been asked whether the Basic Law would enable the Hong Kong Special Administrative Region to enjoy the high degree of autonomy provided for in the Joint Declaration, Sir Geoffrey observed that a high degree of autonomy was not the same as independence. Sovereignty over Hong Kong would rest with China after 1997 and the most careful judgment would be necessary to get the balance right. Britain attached great importance to ensuring that the Basic Law accurately reflected the Joint Declaration in this respect. The general questions involved were not unique since they arose whenever there was a need to allocate power and responsibility between a central government and a non-sovereign entity within the same state that had a degree of autonomy. 'It will be vital to confidence in Hong Kong to define the relationship in a way that not only reflects the fact of Chinese sovereignty, but properly meets the legitimate requirements and expectations of the Special Administrative Region.'

A second part of the draft that needed to be looked at closely was the guarantee of essential rights and freedoms. There was understandable concern about the extent to which the provisions in the draft designed to protect the rights and freedoms of Hong Kong people would work in practice. 'Once again the important thing must be to ensure that the ultimate result faithfully reflects the provisions of the Joint Declaration, so that Hong Kong people can be confident that they will continue to enjoy the rights and freedoms that they have today. We hope that the drafters will listen to those concerns and refine the draft accordingly.'

Referring to the political system, Sir Geoffrey said that the diversity of view in Hong Kong was plainly reflected in the number of options currently offered. There was, however, agreement on the need for a directly elected element in the legislature and it was significant that all of the four options in the draft Basic Law included provision for this. A particularly important aspect of the future political system was the formation of the first Government after 1 July 1997. 'We attach importance to achieving arrangements which, while clearly marking the change of sovereignty, as they must, provide for continuity in administration and the legislature across 1997.'

On the economy, Sir Geoffrey said that many people had expressed reservations about provisions in the draft that appeared to bind the future SAR Government to pursuing certain economic or fiscal policies. There appeared to be good reason for this anxiety since, as drafted, the provisions seemed to encroach on the autonomy in these areas which the future SAR Government was to enjoy. Although there were problems in a draft Chinese law that would, among other things, oblige Hong Kong to maintain policies such as low taxes and a balanced budget, the firmly established position of low taxes and a balanced budget were part of the reason for the success of the Hong Kong economy.

Emigration

Another source of concern, Sir Geoffrey continued, was emigration from Hong Kong, which was causing problems. It was essential that people in Hong Kong should be free to come and go as they pleased since this was a fundamental right that had to be preserved. 'Each one of the three Governments concerned must devote their efforts to maintaining Hong Kong as an attractive place for people to make their lives and to providing for a future to which they can look forward with confidence.'

Conclusion

Concluding, Sir Geoffrey said that the Joint Declaration provided a detailed and comprehensive framework for the future to which the people of Hong Kong would be able to look forward with confidence. Financial institutions and multinational companies had faith in the future since the Hong Kong economy was characterised by full employment and a labour shortage; a per capita income of well over US$8,000, more than that in some countries in Western Europe; and growth of well over 30 per cent from 1986 through to 1988. As a co-signatory of the Joint Declaration, the British Government would play its full part in securing a stable and prosperous future for Hong Kong and its people.

Opposition Views

Speaking for the Official Opposition, Mr Gerald Kaufman said that the Chinese Government had embarked on an unprecedented exercise in consultation on the Basic Law. The Chinese Government had shown generosity and vision in conducting this experiment and it had the time and the opportunity to convince the people of Hong Kong that their future would be safe when they became part of China. Mr Kaufman welcomed the fact that all four options in the draft advanced for the composition of the Legislative Council contained a directly elected element.

A number of articles of the draft Basic Law needed to be re-examined, notably the articles regarding the overriding powers of China in relation to defence and foreign affairs, and the article (No 169) giving the Standing Committee of the National People's Congress power to make binding interpretations of the Basic Law in all its aspects and not merely in defence and foreign affairs. Article 172, allowing the Standing Committee to reject any existing Hong Kong law that it declared to be in contravention of the Basic Law, also needed to be looked at again during the consultative and revisionary process. There had also been an omission from the Basic Law draft, namely the provision that the Executive in Hong Kong and China should be accountable to the Legislature in Hong Kong and China.

Similar concerns were expressed by the spokesman for the Social and Liberal Democrats, Sir

Russell Johnston, who said that many people in Hong Kong were unconvinced that the draft Basic Law guaranteed the promise of a high degree of autonomy.

Government Reply

Responding for the Government, the Parliamentary Under-Secretary for Foreign and Commonwealth Affairs, Mr Tim Eggar, said that much of the Basic Law draft reproduced provisions of the Joint Declaration. The Government welcomed the provisions in the draft for the continuation of Hong Kong's common law system and for an independent judiciary. Britain was well aware of concerns in Hong Kong that the provisions in the present draft on the relationship between central and local authorities on judicial and legislative matters were not yet quite right; the Government would therefore consider the comments made on these matters and draw them to the attention of the Chinese authorities. In its contacts with the Chinese Government Britain's central theme had been the need to monitor and sustain confidence among the people of Hong Kong; the Government had emphasised to the Chinese that it was crucial to get the Basic Law right and to respond fully to the anxieties expressed in Hong Kong and voiced in the House. The first draft of the Basic Law had to be amended to take account of these genuine anxieties.

Iran-Iraq Conflict

Britain has welcomed the decisions by the governments of Iran and Iraq to agree to a cease-fire in the war between them and to take part in direct peace talks under the auspices of the UN Secretary-General. This follows Iran's announcement on 18 July that it accepted the UN Security Council's mandatory resolution 598 of July 1987.

Iran's decision to accept resolution 598 was announced in a message to the UN Secretary-General, Sr Pérez de Cuéllar. Following extensive discussions between the Secretary-General and representatives of the Iranian and Iraqi Governments aimed at implementing the resolution, the Secretary-General told the Security Council on 8 August that a cease-fire would come into effect on 20 August and that direct negotiations between Iran and Iraq would begin in Geneva on 25 August under the Secretary-General's auspices. A UN peacekeeping force is to be despatched to the region to establish the international border between the two countries and monitor observance of the cease-fire. Known as the United Nations Iran-Iraq Military Observer Group (UNIIMOG), the force will consist of 350 personnel drawn from 25 countries.

Britain's Reaction

In a statement on 9 August the Prime Minister, Mrs Margaret Thatcher, welcomed the decisions of the Iranian and Iraqi Governments to accept a cease-fire and to participate in peace talks and she expressed the hope that this would lead to an early end to the conflict. Mrs Thatcher, who was visiting the British Armilla patrol in the Gulf (see below), said that Britain would continue to offer every support to the UN Secretary-General in his efforts to achieve a rapid cease-fire and the full implementation of the terms of resolution 598. She pointed out that a cease-fire was not enough in itself: what was needed – and what was envisaged in resolution 598 – was a comprehensive and lasting settlement which would restore peace and security to the region. She was visiting the Armilla patrol, she said, to congratulate some of the officers and men personally on their outstanding work and she stated that Britain would maintain its commitment in the Gulf for as long as the threat to merchant shipping continued.

Background

On 20 July 1987 the UN Security Council adopted unanimously mandatory resolution 598, which called for an immediate cease-fire, the withdrawal of forces to international boundaries and a negotiated settlement of the differences between the two countries (see pp 253-4, 1987). Iraq immediately declared that it would implement resolution 598 if Iran did likewise. Iran at first condemned the resolution as 'unjust', stating subsequently that it would accept a cease-fire if the United Nations declared Iraq to be the original aggressor in the war, and also insisted that Iraq should pay war reparations. Supported by the five permanent members of the Security Council (Britain, the People's Republic of China, France, the Soviet Union and the United States), the United Nations persisted in its attempts to secure peace on the basis of resolution 598. In September 1987 the Secretary-General visited both countries for discussions.

International Reactions

Resolution 598 has received widespread support from the international community, including the other Arab and Gulf states. In August 1987 the foreign ministers of the Arab League[1] called on Iran to accept the resolution and in November 1987 an extraordinary summit meeting of the Arab League condemned Iran for prolonging the war, expressed full support for Iraq and repeated the call for Iran to implement resolution 598. In December 1987 the summit meeting of the Gulf Co-operation Council[2] urged the UN Security Council to enforce the resolution. Britain has consistently supported resolution 598 (see pp 254-5 and p 357, 1987); the European Community has also maintained its support (see pp 399, 1987, and p 235).

Continuation of the War

War broke out between Iran and Iraq in 1980 and has continued without a halt ever since (see p 253, 1987). The conflict has cost hundreds of thousands of lives and caused immense damage and destruction on both sides. The fighting since resolution 598 was passed has been characterised by land assaults

[1]The League comprises Algeria, Bahrain, Djibouti, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, North Yemen, Oman, Qatar, Saudi Arabia, Somalia, South Yemen, Sudan, Syria, Tunisia and the United Arab Emirates.

[2]The members of the Council are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

by both sides, air attacks by Iraq on Iranian oil installations and power plants, and missile attacks on major cities by both sides. The UN Secretary-General has appealed repeatedly to the two combatants to cease their attacks on civilian targets. In May 1988 the UN Security Council adopted unanimously resolution 612 condemning the continued use of chemical weapons in the conflict.

Shipping in the Gulf

The war has posed a particular threat to the safety of international shipping in the Gulf and since it began there have been hundreds of attacks on ships, including those from non-belligerent countries (see pp 254-5, 1987). The United States, Britain, France, Italy, Belgium and the Netherlands have naval forces operating in the Gulf to protect their own merchant ships against air and sea attacks and to keep shipping lanes free from mines. In 1987 Britain's Armilla patrol (see pp 254-5, 1987) accompanied more than 400 British merchant vessels through the Gulf.

Attacks on shipping by both sides in the war have increased since resolution 598 was passed. During 1987 there were a record 178 attacks on merchant ships. There have also been several clashes between Iranian and US forces in the Gulf. In April 1988 the United States announced that its warships in the region would be allowed to offer assistance to any neutral shipping under attack.

Following Iran's acceptance of resolution 598, representatives of the governments of the Western European Union (Britain, Belgium, France, the Federal Republic of Germany, Italy, Luxembourg and the Netherlands) met in London on 3 August and welcomed the new developments. They also announced that their naval forces would remain in the Gulf until an effective cease-fire had been introduced and the principles of freedom of navigation restored, with the situation to be kept under review.

Iranian Airliner

An Iran Air Airbus A300 airliner on a scheduled flight from Bandar Abbas in Iran to Dubai was shot down on 3 July by the United States Navy cruiser USS *Vincennes*. All 290 passengers on board the airliner were killed.

British View

In a statement issued on 3 July, the Government expressed its profound regret at the loss of life on the airliner and extended its deep sympathy to the bereaved. The incident had been 'a tragedy for all concerned', which underlined the urgent need for an early end to the Iran-Iraq conflict, including an end to all attacks on shipping. Britain fully accepted the right of forces in the Gulf to defend themselves.

International Reactions

Iran's Foreign Minister, Mr Ali-Akbar Velayati, condemned the shooting down the same day as an 'undoubtedly premeditated act of aggression' and called upon the United Nations to condemn the action and to compel the United States to remove its naval forces from the Gulf. A statement issued on that day by the US President, Mr Ronald Reagan, described the incident as a 'terrible human tragedy', stated that the United States deeply regretted any loss of life, and promised a full investigation. The President also stated that the shooting down had been 'a proper defensive action' by the *Vincennes*. The UN Secretary-General, Sr Pérez de Cuéllar, condemned the incident, which appeared to be a 'tragic error' and called for restraint in the region. He commented that the question of responsibility should not be ignored if a repetition of such a tragedy was to be avoided.

Security Council Resolution

At a meeting on 20 July, the UN Security Council passed resolution 616, expressing its deep distress at the shooting down of the airliner and profound regret over the tragic loss of innocent lives. It welcomed the decision of the International Civil Aviation Organisation, in response to the request of Iran, to institute an investigation, and the announcements by the US and Iranian Governments that they would co-operate with the investigation. The Security Council urged the observance of international rules and practices concerning the safety of civil aviation to prevent the recurrence of such incidents.

Namibia and Angola

Britain has warmly welcomed the announcement made on 8 August of agreements reached at Geneva on a cease-fire in Angola and the implementation of the 1978 UN plan for Namibian independence.

A short statement issued on 9 August by Mrs Lynda Chalker, Minister of State at the Foreign and Commonwealth Office, said that the British Government had consistently called on all parties involved in Angola and Namibia to follow the path of negotiation and not conflict. The statement congratulated the United States and all the parties on bringing the negotiations to this stage, hoped that the cease-fire would be observed by all concerned and urged the international community to give the parties its full support and encouragement in their efforts to find a lasting peace.

Agreement on Cease-fire

Delegations from Angola, Cuba, South Africa and the United States met in Geneva between 2 and 5 August to continue efforts to find a peaceful solution to the conflict in south-western Africa. This followed the latest round of talks in London, Cairo and New York which began in May 1988.

A joint statement issued in Havana, Luanda and Pretoria on 8 August said that the negotiations had been detailed, positive and productive. The delega-

tions of Angola, Cuba and South Africa had agreed on a sequence of steps necessary to prepare the way for the independence of Namibia in accordance with the 1978 UN Security Council resolution 435. They would recommend to the UN Secretary-General, Sr Pérez de Cuéllar, the date of 1 November 1988 for its implementation.

On the issue of Cuban troops, the statement said that Angola and Cuba reiterated their decision to subscribe to a bilateral accord including a timetable acceptable to all parties for the staged and total withdrawal of Cuban troops from Angola. The parties undertook to reach agreement on this timetable by 1 September.

The parties approved a comprehensive series of practical steps to enhance mutual confidence, reduce the risk of military confrontation and create conditions in the region necessary to conclude the negotiations.

With the approval of these measures, the joint statement concluded, a *de facto* cessation of hostilities was now in effect. The next round of negotiations would take place during the week of 22 August.

Background

Namibia, formerly South West Africa, came under internationally recognised German sovereignty in 1884 and was administered by Germany until the first world war (1914-18) when it was occupied by the South African Army.

In 1920 South Africa was appointed by the League of Nations to administer the territory under the mandate system. This system was modified to become trusteeship by the United Nations after 1945, but South Africa refused to enter into a trusteeship agreement for the territory or to report to the United Nations on its administration there on the grounds that the mandate had expired with the winding up of the League and that South African sovereignty was unrestricted.

In 1966 the UN General Assembly resolved that South Africa should be stripped of the mandate and that responsibility for the territory should be assumed by a Council for South West Africa (subsequently called the Council for Namibia) appointed by the United Nations. In 1968 the General Assembly renamed the territory as Namibia and in 1970 reaffirmed the termination of the South African mandate.

Attempts to bring self-determination and independence to Namibia began in 1972 when the UN Secretary-General was empowered to begin talks with South Africa.

In 1977 the five Western members of the Security Council (Britain, Canada, the Federal Republic of Germany, France and the United States) set up a Contact Group of senior officials to hold talks with South Africa, the South West Africa People's Organisation (SWAPO)[1] and other African governments on how to achieve early and peaceful independence for Namibia. In February 1978 the Western powers proposed free elections – under UN supervision and control – for a Namibian constituent assembly which would draw up and adopt a constitution for an independent Namibia. They also suggested the appointment of a UN special representative, together with a UN Transition Assistance Group, to ensure the establishment of conditions that would allow elections. The proposals also provided for the release of all Namibian political prisoners and detainees held by South Africa, the cessation of all hostile acts, the restriction of South African and SWAPO armed forces to established bases under UN monitoring, and the phased withdrawal of all but 1,500 South African troops from Namibia.

On 27 July 1978 the Security Council adopted a resolution authorising the appointment of a UN special representative to ensure the early independence of Namibia through free elections under UN supervision and control. In August the Special Representative, Mr Marti Ahtisaari, visited Namibia to discuss the arrangements necessary for the implementation of this resolution. The Secretary-General subsequently reported that the Western proposal would require the establishment of a UN Transition Assistance Group consisting of civilian and military components; implementation of the Western plan would be carried out in three stages – the cessation of all hostile acts and the withdrawal of the various armed forces; free and fair elections to the constituent assembly with preconditions including the release of political prisoners, voluntary return of exiles and the establishment of effective UN monitoring; and the formulation and adoption of a constitution by the elected assembly.

The Secretary-General's report was endorsed on 29 September by Security Council resolution 435 proposed by the five Western and three African members of the Council.

Following the failure of a 1981 meeting between the parties and the Western powers in Geneva to reach agreement, the Western Contact Group undertook a further round of international consultations in 1981 and broad agreement was secured between Angola, Botswana, Mozambique, Tanzania, Zambia, Zimbabwe, SWAPO and South Africa on a constitutional framework which would provide confidence in Namibia's political future.

In a letter to the UN Secretary-General in July 1982 the Contact Group recorded the agreement of all the parties to its constitutional principles covering an independent Namibia. South Africa, however, made it clear that no independence plan could be implemented without a fixed and definite agreement on the withdrawal of Cuban troops from Angola.

Thousands of Cuban troops have been present in Angola since 1975, fighting on the side of the Angolan Government in the civil war that has continued in that country. The Angolan Government has also been backed by the Soviet Union. The opponents of the Angolan Government – the National Union for the Total Independence of Angola (UNITA) – have been assisted by the United States. UNITA has also received support from South Africa, whose armed forces have intervened in Angola in recent years.

In October 1983 the Security Council rejected South Africa's insistence on linking Namibian inde-

[1]SWAPO was established in 1958 to campaign for an end to racial discrimination and for independence from South Africa. In 1966 SWAPO announced that it would launch an armed struggle for the liberation of the territory and began guerilla activities. Since the 1970s SWAPO has operated from bases in southern Angola; South Africa in the 1980s undertook military operations in southern Angola against these bases.

pendence to Cuban withdrawal from Angola. South Africa, however, has continued to maintain this view. The British Government does not accept that Namibian independence should be linked to the Cuban issue since it forms no part of the 1978 UN plan; it does nevertheless recognise the political reality that an arrangement on Cuban troops will be necessary if South Africa is to agree to implement the 1978 settlement proposal. Britain also believes that the withdrawal of all foreign forces from countries in the region would contribute to stability.

Since 1984 various proposals on Cuban withdrawal have been made by South Africa and Angola. In separate talks with both countries the US Assistant Secretary of State for African Affairs, Dr Chester Crocker, has sought to obtain a compromise on this question. These efforts finally led to the latest round of talks from May to August.

Famine in the Horn of Africa

The Government believes that there is a serious and growing risk of famine in Ethiopia and Sudan in 1988-89 on a scale even greater than that of 1984-85, particularly as the result of continuing military conflict in these areas. Its views were set out in its observations on a report produced by the House of Commons Foreign Affairs Committee.[1]

Ethiopia

The Government fully endorsed the Committee's analysis of the underlying causes of the Ethiopian famine: recurrent drought, a high rate of population growth, poor farming techniques, inappropriate agricultural policies and environmental degradation. The rains had just begun in Ethiopia and Sudan, but it was too early to predict whether these would be adequate to ensure a good harvest. If they failed again, a further massive international relief operation would be necessary.

However, the factor most likely to bring about disaster in 1988 and beyond was the increasing level of military activity in Eritrea and Tigre, where the parties concerned in the conflict appeared to be giving greater priority to military than to humanitarian considerations. Since the Committee had finished taking evidence, military activity had intensified and relief operations in the north continued to be curtailed. Neither the Ethiopian Government nor the Eritrean and Tigrean Liberation Fronts would let the International Committee of the Red Cross (ICRC), which had unparalleled experience of operations in combat zones, operate in areas which they controlled, and the recent failure of the ICRC's negotiations with the Ethiopian Government had resulted in the complete cessation of its operations in the country. The Government strongly endorsed the view that the ICRC should be allowed to resume its operations, and had made representations to this effect to the Ethiopian Government.

[1] *Famine in the Horn of Africa.* Observations by the Government on the First Report from the House of Commons Foreign Affairs Committee, Session 1987-88. Cm 432. HMSO, £2·20. ISBN 0 10 104322 8. For publication details of the Foreign Affairs Committee's Report, see p 250.

Lessons had been learned from the experience of the 1984-85 famine. Famine early warning systems and mechanisms for co-ordinating relief assistance had been strengthened. It had been clear by the autumn of 1987 that Ethiopia was likely to face a further crisis in 1988 and the international donor community had responded swiftly, with the estimated need for 1·3 million tonnes of food aid covered by pledges made. The Committee had noted Britain's positive contribution to this international response. Since the beginning of 1987, Britain had committed over £45 million for emergency relief, including the cost of some 95,000 tonnes of bilateral food aid, contributions to the United Nations' airlift operation totalling £3 million, and Britain's share of European Community assistance (see pp 15-16).[1]

The Government paid tribute to the work of international relief agencies and non-government organisations (NGOs) such as Save the Children Fund and Oxfam, whose dedication and expertise had provided an essential complement to the efforts of the Ethiopian Government's Relief and Rehabilitation Commission. United Nations agencies had played a key role in ensuring co-ordination of the relief effort. The Government was convinced that if the operation had not been disrupted by the escalation of civil conflict, this relief effort would have succeeded in averting famine.

The Ethiopian Government's recent decision to reform agricultural pricing and marketing policy was welcomed. The Government had accordingly supported the recent allocations of European Community aid totalling about £53 million for two agricultural development projects designed to increase food production by peasant farmers. Provided that the Ethiopian Government continued to pursue policies which stimulated higher food production and that aid continued to reach those for whom it was intended, the Government believed it was appropriate for multilateral donors to make substantial amounts of aid available.

Ethiopia had never been regarded as a major recipient of bilateral aid from Britain, and the Government believed it should focus British bilateral aid primarily on those countries with which it traditionally had close connections. Britain's main contribution to Ethiopia's long-term development would therefore continue to be through the multilateral development agencies: for example, the British share of European Community development aid to Ethiopia under the Third Lomé Convention (see p 265, 1985) amounted to some £25·5 million.

The Government broadly accepted the arguments which the Committee had advanced in favour of following up the provision of emergency assistance with help for carefully selected small-scale rural and agricultural development projects. Following the 1984-85 famine it had supplemented the existing small programme of technical co-operation with a £3 million grant for rehabilitation assistance along

[1] British emergency aid to Ethiopia in the period 1984-86 totalled £85·53 million. This was made up of food aid (£17·06 million), airlifts in 1984 and 1985 (£21 million), grants to voluntary and international agencies (£14·65 million), grants to Ethiopian refugees and displaced persons in other countries (£9·68 million) and Britain's share of European Community assistance (£23·14 million). European Community assistance in the same period (including Britain's contribution) amounted to £112·53 million.

these lines, which was covering well rehabilitation in Welo Province, help in planning a food reserve, and construction of a strategic seed store. The Government was prepared to examine the possibility of providing further such assistance if the policy environment continued to improve and the security situation permitted. It was ready to consider working with the Ethiopian Government where this was likely to produce results, and was doing so already in respect of rural rehabilitation projects. But for 'grassroots' rural development projects, in Ethiopia and in other countries, the Government's preferred channel was British NGOs. The Government was not convinced by the Committee's argument that collaboration between the Overseas Development Administration (ODA) and the Ethiopian Government would encourage further favourable agricultural policy reforms.

Careful thought had been given to the Committee's recommendation that the ODA should consider supporting NGOs with a proven record of work with people affected by the Ethiopian Government's resettlement programme. The Government accepted that resettlement must be an essential part of the long-term solution of the problems caused by overpopulation and environmental degradation in the highlands of Ethiopia, but had always maintained that any resettlement programme had to be very carefully planned and executed and had to be on a purely voluntary basis, which had not always been the case in the past. Though it was mindful of the Committee's paramount concern that people in need should be helped and was aware that a number of NGOs were doing valuable work to improve the living conditions of those who had been resettled, the Government felt that it would be wrong to provide funds for the resettlement programme, albeit indirectly via selected NGOs, without clear and compelling evidence of a change of approach to the plan's implementation. Such evidence was not yet available, though the Government was aware of the Ethiopian Government's assurances that the present phase of resettlement was purely voluntary. The Government would keep an open mind on providing assistance if future conditions appeared favourable for a properly planned and orderly programme.

The recent release from custody of seven female members of the Ethiopian royal family was also welcomed, and the Government hoped that this would be followed by the release of the remaining three male members and of the many other prisoners who were detained without trial. A welcome was also given to the Ethiopian Government's agreement to allow freer access to areas under its control for representatives of the United Nations and other donors to monitor food delivery.

However, there was no room for complacency. Up to 7 million people were in danger of starvation, about 3 million of them in Eritrea and Tigre. As a result of the most recent fighting, possibly 1 million people might now be beyond the reach of current relief operations.

Sudan

In Sudan, too, hunger was primarily the result of civil war preventing food from reaching those most in need. The situation in southern Sudan had continued to deteriorate. Convinced that the conflict could not be resolved militarily, the Government was continuing to urge the Government of Sudan and the Sudanese People's Liberation Movement to reach a negotiated settlement, and it was ready to help achieve this, although the prospects for the success of any political intervention from outside were not good.

Concern was also expressed about the situation in Western Sudan, where much of the food pledged by donors, including the European Community, had not yet reached some remoter areas because of problems of transport and security. Further delay had been caused by difficulties over the release of cereals to donors by the Agricultural Bank of Sudan, and the onset of the rains would hamper food distribution to some areas.

The Government shared the Committee's concern that Sudan's production of cereals might be inadequate to meet the needs of the population if there was further drought in 1988. The situation was being watched carefully and the Government would be discussing with other bilateral and multilateral donors how to assist the Government of Sudan to cope with any further emergency.

Recognising the gravity of the situation in Ethiopia and Sudan, the Government undertook to continue its active role in international relief efforts, but the success of this effort would depend above all upon the cessation of military activity. The Government would do all it could, in company with its European partners and other concerned governments, to impress the need for a peaceful and negotiated resolution of difficulties upon all the parties concerned.

Over the past 18 months, the Government said, it had responded, through the ODA's Disaster Unit, to a number of requests for financial assistance from voluntary agencies working with displaced persons within Sudan. In 1987 over £1 million had been provided for relief in Equatoria Province, including 20 trucks to Oxfam for the delivery of food supplies in and around Juba. A further £400,000 had been provided so far in 1988, including food for the displaced. The Government intended to respond sympathetically to further appeals for assistance to displaced people in Sudan, estimated at between 1 and 2 million. The agreement reached by the ICRC with the Government of Sudan and the Sudanese People's Liberation Movement enabling relief operations to begin in combat zones in the south was welcomed by the Government, which would consider sympathetically any request made by the ICRC for financial assistance with the provision and transportation of food supplies. The question of establishing food stockpiles had been considered in a recent food security study funded by the European Community and would be addressed specifically later in 1988 as part of a more detailed regional study to be funded by the ODA.

The Government was concerned that adequate emergency assistance should reach the more than 280,000 Sudanese refugees in Ethiopia. It had pledged 5,000 tonnes of wheat flour, provided £275,000 towards the purchase and air transport of tents, blankets and sheeting, and made a commitment to supply dried skimmed milk. A special appeal for assistance from the United Nations High

Commissioner for Refugees was under urgent and sympathetic consideration.

Conclusion

The Government appreciated the Committee's concern that its response to emergencies should not affect the funding of the ODA's continuing development aid programmes and pointed out that allocations of emergency aid to Ethiopia had not been made at the expense of other bilateral or multilateral programmes. The Government's policy of providing for food aid and humanitarian assistance within the aid programme had been set out in its observations on the earlier Foreign Affairs Committee report on 'Bilateral Aid: Country Programmes' (see pp 359-61, 1987). The Government believed that to treat humanitarian assistance separately would impose unnecessary inflexibility in the use of aid funds. It was committed to maintaining 'a substantial aid programme within which prudent provision can be made for responding effectively to emergencies without adversely affecting the funding of longer-term programmes'. The aid programme for 1988-89 was £72 million larger than that for the previous year (see pp 257-63, 1987).

Shorter Notes

BRITISH AID TO FIGHT LOCUSTS

New British aid to fight the rapidly growing threat to Africa from locusts was announced in July by Mr David Mellor, then a Minister of State at the Foreign and Commonwealth Office, during a visit to North Africa. A leading contributor to the current campaign against locusts, Britain has pledged more than £5 million for locust and pest control in Africa since the beginning of 1987.

Britain is to provide the Moroccan locust control centre with a computer-based system designed to pinpoint accurately locust breeding areas, thereby allowing control teams to strike early and so prevent damage to crops. Using data from the European weather satellite Meteosat, the system combines a breakthrough in electronics with a new software development from the University of Bradford. The result is a system costing a fraction of the price of previous systems of this kind.

Similar systems are being offered by Britain to control centres in Tunisia and Algeria and to the regional control centre in Algeria; these contributions are linked to a regional project of the World Meteorological Organisation.

Source: Overseas Development Administration press notice, 14.7.88.

AID FOR PAKISTAN WATER SUPPLY PROJECT

Britain's contribution of £16·4 million towards a World Bank project to improve water supply and sewage treatment in Lahore in Pakistan was confirmed by the Minister for Overseas Development, Mr Christopher Patten, on 1 August.

Mr Patten said that the project would cost £80·7 million and that Britain would supply plant, equipment and technical co-operation. In addition to improving water supply and sewage treatment, the project would aim to strengthen Lahore's Water and Sanitation Agency's management, maintenance and engineering expertise. The Agency would be twinned with a British water authority, the first time that this type of arrangement had been made on such a large scale.

Britain's Overseas Development Administration will appoint British consultants to design and supervise the construction and rehabilitation components of the project.

Pakistan is a major recipient of British financial aid, receiving over £22 million in 1987.

Source: Overseas Development Administration press notice, 1.8.88.

Public Expenditure

Proposals for a new definition of the public expenditure planning total are set out in a White Paper published on 26 July. The proposals provide for the exclusion of certain types of local authority expenditure from the total; for the expansion of the Autumn Statement; and for the discontinuation of the public expenditure White Paper.

The proposals, made in response to changes recommended by the House of Commons Public Accounts Committee and the Treasury and Civil Service Committee, are designed to improve planning and control of public spending. They do not represent any diminution in the Government's determination to reduce the size of the public sector or to restrict total public spending – whether by central or local government.

On the day of publication of the White Paper,[1] the Chief Secretary to the Treasury, Mr John Major, explained in the House of Commons (*Hansard*, Vol 138, No 197, written answers, col 168) that the Government's objective for public spending was that it should decline as a proportion of national income. Public spending is the total spending of central and local government – that is, general government expenditure (excluding privatisation proceeds).

General government expenditure consists of the public expenditure planning total plus general government gross debt interest plus certain adjustments. The planning total is made up of total spending by central government, local authorities and public corporations plus a reserve to meet unforeseen requirements; it excludes privatisation proceeds.

The White Paper (which develops ideas put forward by the Treasury in May) proposes that, when new arrangements for local government finance come into operation in England and Wales (see pp 17-18), the coverage of the planning total will be changed so as to exclude spending which local authorities determine and finance themselves. Redefining the planning total so as to include only that expenditure for which central government is responsible would, the Government argues, increase its effectiveness as an instrument for planning and control of central government's operations. In combination with the disciplines on local authority spending introduced by the reform of local government finance, it would help the Government to realise its objective for public spending. Distinguishing the spending for which central government is responsible from that resulting from local authorities' decisions would also enhance the accountability of local councils to their electors, so reinforcing the changes brought about by the introduction of the community charge. The proposed changes would have the effect of bringing Britain's approach to the planning of public spending more into line with that of other states – both federal and unitary – in North America and elsewhere in Europe.

The New Planning Total

The redefined planning total would consist of:

1 central government's own expenditure;

2 central government grants (both current and capital) to local authorities;

3 European Community grants (both current and capital) to local authorities;

4 credit approvals issued by central government (which set upper limits on the amount of capital expenditure that local authorities may finance by borrowing and other forms of credit);

5 receipts from non-domestic rates (the size of which – unlike that of the community charge – local authorities have very little power to influence);

6 public corporations' expenditure;

7 privatisation proceeds (treated as a negative item); and

8 the reserve.

Public Expenditure Survey

Each year the Government conducts a review – the public expenditure survey – of its expenditure plans for the forthcoming three years. Following Cabinet consideration and bilateral discussions between the spending departments and the Treasury, the spending figures are presented in the Autumn Statement in November.

In the case of programmes for which the expenditure is largely incurred by the department itself, this process will not change. The spending plans of nationalised industries will continue to be set out in the investment and financing review. For departmental programmes with a high local authority component, however, the major change will be that their plans will include specific grants which, for the purposes of the survey, will be treated in the same

[1] *A New Public Expenditure Planning Total*. HM Treasury. Cm 441. HMSO, £2·80. ISBN 0 10 104412 7.

way as comparable central government expenditure is now.

Timing

The Government proposes to bring the new planning total into operation from 1 April 1990, the date of introduction of the community charge in England and Wales. The 1989 public expenditure survey, the results of which will be announced in the 1989 Autumn Statement, will be conducted on the new basis.

The Autumn Statement is to be expanded and will include much of the analytical material now found in Chapter 1 of Volume I of the public expenditure White Paper. The departmental detail now contained in Volume II will be published by departments in a series of reports to appear with the Supply Estimates (which inform Parliament of the Government's spending plans and objectives) at the time of the Budget. The statistical material currently in Chapters 2 to 6 of Volume I will be published in a number of possible ways – for example, in January as a statistical supplement to the Autumn Statement or together with the Supply Estimates.

Industrial Disputes

The latest international statistics on industrial disputes, covering the period 1977 to 1986, show a general downward trend in the incidence of working days lost in Britain and other member countries of the Organisation for Economic Co-operation and Development (OECD). Although the number of days lost in Britain increased in 1987, it was substantially below the annual average for 1977 to 1986 and the second lowest recorded since 1976.

International Comparisons

Details of the most recent international comparisons are contained in an article in the June issue of the *Employment Gazette* (HMSO, £3·40, ISBN 0 11 728268 5). The article points out that considerable care must be taken when making detailed comparisons because of the different coverage of each country's statistics. Although the statistics should not be seen as providing a precise comparison, they are useful in indicating approximate levels of the effects of stoppages, especially recent trends.

Table 1 shows the number of working days lost per 1,000 employees in employment (wage earners and salaried employees) for 21 OECD countries up to 1986, the latest year for which information is available in most countries. Longer-term comparisons are more appropriate than annual comparisons, as figures for individual years may be substantially affected by a small number of large disputes. The statistics indicate a general decrease in working days lost in OECD countries between the first five-year period (1977-81) and the second five-year period (1982-86), with only four countries recording a higher increase in the latter period.

Over the period 1977-86 Britain's ranking was a little above the middle-ranked position. The highest incidence of working days lost per employee occurred in Spain, Italy, Greece, the Irish Republic and Canada, while countries recording relatively

Table 1

Working Days lost in Industrial Disputes per 1,000 Employees in All Industries and Services 1977-86

				*Average**		
	1984	1985	1986	1977-81	1982-86	1977-86
Britain	1,280	300	90	580	420	500
Australia	240	230	240	590	280	430
Austria	†	10	†	†	†	†
Belgium	*na*	*na*	*na*	(200)	*na*	*na*
Canada	390	310	690	780	490	630
Denmark	60	1,060	40	140	260	200
Finland	750	80	1,320	540	530	530
France	80	50	60	140	80	110
Federal Republic of Germany	260	†	*na*	50	(70)	(50)
Greece	320	620	700	940	560	750
Irish Republic	470	520	*na*	810	(470)	(660)
Italy	610	270	390	1,140	700	920
Japan	10	10	10	30	10	20
Netherlands	10	20	10	30	20	30
New Zealand	380	660	1,110	360	570	470
Norway	60	40	560	30	170	100
Portugal	100	100	140	(220)	150	(180)
Spain	880	440	300	1,440	510	990
Sweden	10	130	170	250	60	160
Switzerland	†	†	†	†	†	†
United States	90	70	120	230	110	170

na=not available.

*Annual averages for those years within each period for which data are available, weighted for employment. Brackets indicate averages based on incomplete data.
†Less than five days lost per 1,000 employees.

few days lost per employee included Austria, Switzerland, Japan, the Netherlands, the Federal Republic of Germany and Norway. During the period 1982-86 Britain lost an annual average of 420 days per 1,000 employees as a result of stoppages caused by industrial disputes, equivalent to half a working day a year per employee. However, the average was influenced by the major dispute in coalmining in 1984-85 (see pp 47-8 and 77-8, 1985). In 1986 the number of days lost per 1,000 employees was 90 (the lowest yearly total recorded in the period 1977-86), which placed Britain among the countries experiencing relatively few days lost. The article also gives comparative figures for four main sectors prone to disputes (see Table 2) and says that in most countries the incidence of working days lost was about twice as high as in all industries and services taken together. The highest rates were recorded in Spain, Italy, Canada and the Irish Republic. As with the overall statistics, there was a general decrease between the first five-year period (1977-81) and the second (1982-86).

Disputes in Britain in 1987

Details of working days lost in Britain in 1987 as a result of industrial stoppages were given in an article in the July issue of the *Employment Gazette* (HMSO, £3·40, ISBN 0 11 728269 3). Although the number of working days lost rose from 1·9 million in 1986 to 3·5 million in 1987 (see Table 3), the latter figure was well below the averages of 11 million a year recorded for the ten years 1977 to 1986 and 10·2 million for 1967 to 1986. It was also the second lowest figure since 1976, when 3·3 million days were lost. In 1987 the number of working days lost per 1,000 employees was 163, which also represented the second lowest figure recorded since 1976.

The two largest disputes in 1987 were in telecommunications, where a national strike led to the loss of 1·5 million working days (41 per cent of the total), and in the Civil Service, where over 600,000 days were lost. Altogether there were 53 stoppages which involved the loss of 5,000 or more working days and they accounted for 84 per cent of days lost.

The number of workers involved in stoppages in progress rose from 720,000 in 1986 to 887,000 in 1987, although this was below the annual average of 1·48 million in the period 1977 to 1986. There was a fall in the number of stoppages recorded, to 1,016 in 1987, and this was the second lowest figure recorded since 1940, with only 1985 experiencing fewer stoppages. This compared with the annual

Table 2

Working Days lost in Industrial Disputes per 1,000 Employees in Selected Industries (Mining and Quarrying, Manufacturing, Construction, and Transport and Communications) 1977-86

				*Average**		
	1984	1985	1986	1977-81	1982-86	1977-86
Britain	3,210	660	180	1,130	970	1,060
Australia	530	520	570	1,260	610	940
Austria	†	†	†	†	†	†
Belgium	*na*	*na*	*na*	(370)	*na*	*na*
Canada	930	600	1,180	1,570	950	1,260
Denmark	160	2,380	90	280	570	420
Finland	700	160	2,210	900	740	820
France	160	90	80	230	150	190
Federal Republic of Germany	520	†	*na*	80	(130)	(100)
Greece	*na*	*na*	*na*	(950)	(920)	(940)
Irish Republic	670	450	*na*	1,440	(580)	(1,080)
Italy	780	430	420	1,530	1,040	1,300
Japan	20	10	*na*	50	(20)	(30)
Netherlands	20	50	20	70	40	60
New Zealand	900	1,320	2,560	770	1,260	1,020
Norway	60	100	920	60	300	180
Portugal	190	190	230	(330)	270	(300)
Spain	880	290	470	(2,840)	530	(1,530)
Sweden	20	10	†	470	10	240
Switzerland	†	†	†	†	†	†
United States	160	140	360	(500)	310	(360)

na=not available.
*Annual averages for those years within each period for which data are available, weighted for employment. Brackets indicate averages based on incomplete data.
†Less than five days lost per 1,000 employees.

Table 3

Stoppages in Progress in Britain 1967-87

	1967	1972	1977	1982	1983	1984	1985	1986	1987
Working days lost (thousand)	2,787	23,909	10,142	5,313	3,754	27,135	6,402	1,920	3,546
Working days lost per 1,000 employees	122	1,080	448	248	178	1,278	298	89	163
Workers involved (thousand)	734	1,734	1,166	2,103	574	1,464	791	720	887
Number of stoppages	2,133	2,530	2,737	1,538	1,364	1,221	903	1,074	1,016

average of 1,615 for 1977 to 1986. Just over two-thirds of stoppages lasted less than four working days.

Disputes over pay represented the largest single cause of work stoppage, accounting for 82 per cent of working days lost in 1987 (as against 59 per cent in 1986), followed by disputes over manning and work allocation (5 per cent) and redundancy (nearly 5 per cent). In terms of the number of stoppages, disputes over pay were again the largest single cause (36 per cent, slightly lower than in 1986), followed by manning and work allocation issues (26 per cent) and working conditions (15 per cent).

Information about stoppages of work arising from industrial disputes is collected on a voluntary basis, through the Department of Employment's local unemployment benefit offices and other sources such as centralised returns from certain nationalised industries, public bodies and large firms, from press reports and, for some larger stoppages, from employers or trade unions involved. The article says that there are difficulties in ensuring complete recording, especially for short disputes or those involving only a few workers. Accordingly, stoppages involving fewer than ten workers and those lasting less than one day are excluded from the statistics, except where the aggregate number of working days lost exceeds 100. This limitation has more effect on the estimate of the number of stoppages than on working days lost, and the latter is therefore considered a more comprehensive indicator as well as a better measure of the impact of industrial disputes.

Developments in the Steel Industry

Recent developments in the steel industry include the enactment of the Bill which provides for the privatisation of the British Steel Corporation (BSC), a substantial improvement in the Corporation's financial performance, and the publication of a report by the Monopolies and Mergers Commission which found that BSC had become increasingly efficient, with a significant increase in manpower productivity.

British Steel plc

Details of the preliminary arrangements in connection with the privatisation of BSC were announced by the Secretary of State for Trade and Industry, Lord Young, on 2 August. Under the British Steel Act 1988 (see pp 111-12), BSC would become British Steel plc on 5 September when all the assets and liabilities of BSC would be vested in the successor company, initially to be wholly owned by the Government. Lord Young said that the Corporation's record profits for 1987-88 showed that it was now 'ready to stand on its own feet in the private sector' and the way was 'clear to proceed with privatisation as soon as practicable'.

BSC Annual Report

In his review, contained in the annual report of BSC[1] for the year ended April, the Chairman, Sir Robert Scholey, said that he expected BSC to continue its steelmaking and continuous casting at all five of its integrated sites for at least another seven years. BSC had engineered a remarkable reversal of its economic fortunes, he said, turning the persistent losses of the years from 1978 to 1985 to net profits which in 1987-88 totalled £410 million on a turnover of £4,100 million. Radical measures had been taken to restructure and rationalise the industry, in order to take advantage of expanding demand in the domestic market and to make BSC a competitive force abroad. Sir Robert noted the Government's intention to return BSC to the private sector as a single entity, and stressed his Board's support for privatisation in this form.

The BSC annual report lists many of the Corporation's achievements. In the year to April 1988, BSC took a larger share of both domestic and European Community markets in a very competitive environment. Demand for steel in Britain rose by 16 per cent over 1986-87. Deliveries rose by 18 per cent to 7·7 million tonnes, and they accounted for 60 per cent of the home market. As a result of an improved economic climate, especially in the construction and automotive sectors, production of sheet steel, electrical steel and tinplate expanded rapidly. Demand in a number of areas – including structural sections, welded tube products and semi-finished products – rose sharply. Export deliveries, totalling 4·4 million tonnes, increased by 17 per cent during the year. Production of liquid steel was 14·7 million tonnes, the highest output since 1978-79. Productivity rose sharply: in 1986-87, 6·2 man hours were required to produce a liquid tonne of steel; in 1987-88 this fell to 5 man hours. The average number of employees over the financial year was slightly smaller than in 1986-87, standing at about 54,000.

Capital expenditure reached £253 million in 1987-88, the second highest level since 1979-80. Among the important developments was the scheme for the installation of a coal-injection system at the Ravenscraig facility. The Corporation's initial recovery had been based on improved output, a rise in the productivity of both plant and employees and a reduction in operating costs. However, market considerations had introduced a new dimension: in future, therefore, there would be increased emphasis on standards of quality, delivery, performance and customer service as well as continued efforts at reducing costs.

Monopolies and Mergers Commission's Report

A report by the Monopolies and Mergers Commission (MMC)[2] on the efficiency and cost-effectiveness of BSC was issued on 27 July. The report was carried out in 1986 under the terms of the Competition Act 1980, which permits the Secretary of State for Trade and Industry to ask the MCC for such evaluations of public sector industries. The

[1] *Annual Report and Accounts of the British Steel Corporation 1987-88.* Available free from BSC, 9 Albert Embankment, London SE1 7SN. ISBN 0 901894 63 X.

[2] *British Steel Corporation: a report on the efficiency and costs in discharging its functions of the British Steel Corporation.* Monopolies and Mergers Commission. Cm 437. HMSO, £12·50. ISBN 0 10 104372 4.

report is the twenty-sixth under the Act. (The report was completed in 1986. Its publication was delayed by the need to consider a request from BSC that the Secretary of State exercise his powers under the Act to make some excisions from it to avoid prejudicing the interests of the Corporation.) Mr Francis Maude, Parliamentary Under-Secretary of State for Corporate Affairs, said in the House of Commons on 27 July (*Hansard*, Vol 138, No 198, Part II, written answers, col 277) that the MMC had confined itself largely to the Strip Products Group and General Steels Group of the Corporation, which between them contained the five steelworks accounting for the bulk of production.

The MMC commended BSC for its recovery since the watershed of 1980, when declining domestic demand during a recession, excess supply in the European steel industry and a three-month strike at BSC combined to greatly weaken its position. At that time, annual operating losses exceeded £1,000 million. The recovery since then had been achieved not only by the reductions in manpower and capacity already described, but also by a rise in productivity of over 100 per cent. Productivity gains had been largely eroded: those costs over which BSC had no direct control had risen 13 per cent more than its prices in the five years to 1986. The MMC noted that there was persistent over-capacity in the international steel industry: governments in many countries were being pressed to continue financial support or protectionism to avoid further contraction. The outlook for the important European market was far from clear, as fluctuations in currencies in which steel was traded had great impact on the competitiveness of BSC.

The MMC noted that BSC viewed its return to profitability of 1985-86 as only one step on the road to complete viability. The Corporation had moved, in its Chairman's words, 'from managing closures to managing the business'. However, the MMC was unable to consider completely the operational efficiency and future implications for planning at BSC, since its terms of reference specifically excluded the financial strategy agreed between BSC and the Government. Under those arrangements, BSC gave an undertaking to retain the five integrated steelworks for three years from 1985. This undertaking, in the run-up to the firm's flotation in the private sector, has been extended to 1995. The MMC was concerned, in 1986, that such arrangements would inevitably have an effect on capacity utilisation – and consequently, on efficiency. Further contraction of plant might, instead, be advisable. The MMC found that some of BSC's production processes were not as efficient as those of its foreign competitors. So long as world capacity exceeded demand, plant utilisation could not improve.

The MMC said that BSC was left with 'a wide discretion to improve efficiency', and concentrated particularly in its conclusions on issues of stock control, maintenance and monitoring of quality. Technical advances had to be integrated into the Corporation's productive processes as a priority. Clear statements of good organisational practice needed to be made available within the context of a more decentralised company structure. The report welcomed the decision to fix substantially increased investment levels in future years.

Tourism

A review of the Government's role in the tourism industry is to be carried out, aiming to ensure that policies are meeting current needs. The review comes in the light of figures showing a sustained rapid expansion of tourism, with record visits to Britain by overseas residents in 1987.

Tourism Review

The Secretary of State for Employment, Mr Norman Fowler, announced in the House of Commons on 18 July a review of the role of the Government – and particularly of his Department – in promoting the tourism industry, to be completed by the end of 1988 (*Hansard*, Vol 137, No 191, cols 483-4). Mr Fowler pointed to the industry's recent successes as outlined in *Tourism '88* (see below), the latest in a series published by his Department. He attributed these advances largely to the trade's own efforts, but also to the work of the English Tourist Board (ETB) in encouraging investment and development (with parallel contributions made by the other national boards in Scotland, Wales and Northern Ireland), to the efforts of the British Tourist Authority (BTA) to promote tourism abroad, and to the Government's support of the sector.

Mr Fowler said that it was now appropriate for the Government to evaluate the relevance of its policies. The Government recognised its obligations to provide an economic and regulatory framework for this important, prospering industry. It had to consider both the cost-effectiveness and level of government funding, the way in which it was applied, and the activities of both the BTA and ETB in the context of broader policy objectives which included the placing of as many activities in the private sector as possible. Although Scotland, Wales and Northern Ireland operated independently in this field, their tourist boards would consider the review's conclusions with interest. The Chairman of the BTA and ETB had been consulted, and the boards' views would be sought.

Survey of Tourism

The fourth annual Department of Employment survey of British tourism suggests growing importance for the sector.[1] This is reflected in the number of visits paid by overseas residents to Britain: 15·4 million in 1987, compared with the previous record figure of 14·5 million for 1985. Of these foreign tourists, 60 per cent came from Europe and 22 per cent from North America, representing respective rises of 12 per cent and 21 per cent since 1986. The number of visitors from the rest of the world increased by 7 per cent. The big increase in North American tourists is attributed to a successful marketing campaign which eased apprehensions about travel to Britain and the rest of Europe (see pp 325-8, 1987).[2]

[1] *Tourism '88*. Available free from the Department of Employment, Steel House, Tothill Street, London SW1H 9NF.

[2] Mr John Lee, Parliamentary Under-Secretary of State for Employment, said in the House of Commons on 28 July (*Hansard*, Vol 138, No 198, Part II, written answers, col 477) that, in 1986-87, the BTA had attracted £215,000 from the trade for a special advertising campaign to restore levels of tourism from North America. In the event, the number of visits from United States residents, having fallen from 3·2 million in 1985 to 2·3 million in 1986, rose to 2·8 million in 1987.

British residents still take 80 per cent of their holidays in Britain rather than abroad. Holiday-makers are now taking more short breaks of one to three nights, and fewer of four nights or more. Spending by British residents on holidays has thus gone down slightly, since half the market is now for such shorter breaks. In 1987 day trips accounted for an estimated £3,000 million of the market total, and all longer holidays for £7,000 million. Overseas residents spent £6,300 million, 15 per cent more than in 1986. British transport carriers earned a further £1,500 million moving overseas tourists to and from Britain. Turnover in the entire industry amounted to some £18,000 million in 1987, a 5 per cent rise on the previous year. Tourist revenues in terms of constant 1980 prices are broadly the same as in 1979, but have recovered from their decline during the recession of the early 1980s. Tourists from overseas and Britain spent their money on similar sorts of goods and services and in roughly equal proportions, although foreign visitors spent a higher proportion on shopping and a lower proportion on travel than domestic tourists. Accommodation, food and drink were the main items of expenditure.

Tourists visited stately homes and historic buildings, gardens, museums, wildlife attractions, and theme parks and country parks in increasing numbers. Cultural events of all kinds were very popular, particularly among those from abroad: over one-third of London's West End theatre audiences in 1986 were foreign visitors. Some 60 per cent of foreign tourists spent time in London, but the majority of them spent most of their nights outside London. Blackpool Pleasure Beach attracted the largest number of tourists in 1986, with 6·5 million visits, and Madame Tussaud's London, with 2·4 million visits, maintained its popularity. Traditionally favoured areas of Britain still attract the most visitors for overnight stays. The Strathclyde and Highland regions accounted for about 35 per cent of these in Scotland during 1987; in the rest of Britain, Wales and South West England had the most. The Government wants to encourage a more even spread of tourism around Britain's regions, and also to help extend the taking of holidays beyond the summer season. It is hoped such developments will assist planning, maximise returns on investment and create better non-seasonal employment in the industry.

Jobs in tourism-related work numbered 1·3 million in winter and 1·4 million in summer 1987, with employment rising by 41,000 from December 1986 to December 1987. About one-third of the increase was in the hotel and accommodation sector. Self-employed hoteliers and caterers have increased in numbers by about a quarter in the past four years. Employment in tourism is rising across the whole of Great Britain, and not just in areas where it has long been high. In the two years ended December 1987 the proportionate increase was most marked in the North West, East Anglia, the East Midlands, and Yorkshire and Humberside with rises of 13 to 14 per cent. The increase for Great Britain as a whole was 7 per cent.

As with employment, there is a trend towards increased investment in the English regions, although London still attracts about a fifth of investment in large projects. Total investment in tourism more than doubled to just over £1,200 million between the period January-June 1984 and July-December 1987. This investment was in hotel building and refurbishment, conference and arts facilities, marina construction, self-catering facilities and mixed developments.

The Government expects that growing proportions of personal income will be used for leisure and tourism in future; both foreign and domestic tourists will require better accommodation facilities and services. The industry will thus need to maintain high standards in a competitive environment while investing in its own future.

Water Privatisation

The Government has stated its intention to privatise the ten water authorities in England and Wales in a single flotation at the end of 1989.

Background

Details of the Government's plans to privatise the water authorities in England and Wales were published in 1986 (see pp 91-2, 1986). In 1987 it issued a consultation paper defining the responsibilities of a National Rivers Authority (NRA) to carry out the regulatory work relating to water pollution and the river management functions of the water authorities after privatisation (see pp 271-3, 1987). It later reaffirmed its commitment to the creation of a NRA after considering the 350 responses to the consultation paper (see p 33).

The Public Utility Transfers and Water Charges Act 1988 (see p 187) gives water authorities powers to prepare for privatisation and restructuring, which would include schemes for separating the utility aspects of their business from those to be managed by the NRA. Such schemes would provide for the creation of a separate NRA unit within each authority, which, after the passage of the main legislation (see below), would be hived off to form the regional component of the NRA on vesting day.

The Government has set up the National Rivers Authority Advisory Committee to advise on the implications for the water authorities of the reorganisation needed to provide a separate organisational structure for their water and sewerage functions, and the functions that would be performed by the NRA; and to advise on the acceptability of the scheme proposed by each authority.

Water Authorities Flotation

On 20 July the Secretary of State for the Environment, Mr Nicholas Ridley, announced that privatisation legislation would be introduced during the next parliamentary session in November and that the water authorities had been asked to proceed on the basis that privatisation would take place towards the end of 1989. It was the Government's intention that there should be a simultaneous flotation of all ten companies to be created from the present authorities. Publication on the same day of their reports and accounts for 1987-88, he said, gave

'an encouraging picture of an efficient, commercial industry with a bright future. Profitability is up, turnover is up, and margins are continuing to improve. These results have been achieved while capital expenditure has been rising to its highest level for over a decade, and all of the authorities have improved their self-financing ratios.'

Air Traffic Control

A comprehensive programme of action, much of it proposed by Britain, has been put forward to deal with the problems of European air traffic congestion.

Effects of Increased Traffic

There has been a substantial rise in the level of air traffic in recent years. In 1987 some 66·6 million passengers travelled by air to or from Britain, 15·9 per cent more than in 1986. According to the Civil Aviation Authority (CAA), the National Air Traffic Services (responsible for the provision of civil and military air traffic control over Britain and the surrounding seas) handled over 3 million aircraft movements in 1987, representing an increase of about 9 per cent, while the annual rate of growth in the first half of 1988 was about 12 per cent. Air traffic control problems have resulted from the growth of traffic, especially the considerable rise in holiday flights from northern Europe to the Mediterranean which had not been predicted either by the airlines or by governments. As a result, air traffic control authorities have instituted 'flow management', which ensures that traffic does not rise to levels that cannot be accommodated safely by air traffic control networks. This has resulted in delays to some flights, and the problems have been aggravated by industrial disputes involving overseas air traffic controllers.

Air Traffic Control Improvements in Britain

Action being taken by the CAA to deal with the effects of increased traffic was outlined by the Chairman, Mr Christopher Tugendhat, at a press conference on 19 July on the issue of its annual report.[1] Mr Tugendhat said that the air traffic control administrations in Europe had given urgent attention to the problems and the CAA had taken a lead in promoting initiatives for improving the application of flow management in Europe. For example, a 'hot line' telephone conference facility was being installed to enable flow managers at the busiest air traffic control centres to consult with each other and the arrangements were already in hand in Britain, in advance of the other countries.

Mr Tugendhat also explained the action being taken by the CAA to increase capacity. Its investment programme, which involved expenditure of over £250 million in the next five years and would be followed by a further £400 million by the end of the century, was more extensive than any previous investment in air traffic control. It included a new computer for the London Air Traffic Control Centre, with an entirely new centre eventually being provided (by 2000), and new airport radars and navigation aids. The phased introduction of the 'central control function' (the first phase of which would start in 1990) was intended to improve the inward and outward flows throughout south-east England. This was expected to increase capacity there by some 30 per cent by the mid-1990s.

Among other action, the Government has changed the air traffic distribution rules so that charter operators have the opportunity to use spare capacity at Heathrow. In addition, the Secretary of State for Transport has asked the CAA to report by November 1988 on strategies for making good use of air traffic control capacity in the London Control Area in the period to 1995 and to advise him by July 1989 on the adequacy of airport capacity in Britain, taking account of air traffic control requirements, in the period to 2005.

Action through Eurocontrol

Eurocontrol was founded in 1963 to strengthen co-operation among member states in matters of air navigation and is based in Brussels, with an international air traffic control centre for upper airspace at Maastricht in the Netherlands and an experimental centre in France. Britain is one of eight member states, together with Belgium, the Federal Republic of Germany, France, the Irish Republic, Luxembourg, the Netherlands and Portugal, while Greece and Turkey are expected to become members in 1989. Britain, represented by Lord Brabazon (Parliamentary Under-Secretary of State, Department of Transport), currently holds the presidency of Eurocontrol.

Lord Brabazon gave details in the House of Lords on 11 July of the programme of action agreed by Eurocontrol's Permanent Commission, much of it proposed by Britain to overcome the problems of European air traffic (*Hansard* (*HL*), Vol 499, No 160, cols 703-4). It agreed that:

1 Members should pool relevant information about systems, procedures and plans.

2 The Eurocontrol Agency should investigate ways of relieving congestion in the airways in the short term.

3 It should identify all serious incompatibilities between members' air traffic control systems, procedures and plans, and recommend ways of removing the incompatibilities.

4 Jointly with other European authorities, it should assess the likely available capacity of European airspace by 1995.

5 It should continue to develop its common medium-term plan for air traffic control in member states, giving particular attention to co-ordination and harmonisation, and should draw up a strategy for improving the efficiency of air traffic management.

6 It should draft specifications for the next generation of air traffic control systems.

Lord Brabazon said that the Commission had also

[1] *Civil Aviation Authority. Annual Report and Accounts 1987-88.* Available from the CAA, P.O. Box 41, Cheltenham, Gloucestershire. £7. ISBN 0 86039 349 6.

approved proposals, originated by the British delegation, for developing Eurocontrol's Central Data Bank as a means of improving the future operation of flow management.

Science and Technology

A number of reports on science and technology have been published recently including the annual review of the Government's research and development expenditure. It covers expenditure in 1986-87 with plans for future years. The Advisory Board for the Research Councils, in its annual report on the science budget, recommends a continuation of the current direction of change in the organisation of scientific research and argues for increased funding. The Government has published a memorandum outlining its policy for civil space research.

R & D

The purpose of the review,[1] published on 28 July, is to assist the Government in decisions related to science and technology by providing a statistical background along with an explanatory commentary. It gives details of government expenditure on research and development (R & D) by government departments, by the research councils and by the University Grants Committee (UGC). The actual expenditures in 1985-86 and 1986-87 are compared with the expected expenditure in 1987-88 and projections for the years up to 1990-91. The review also includes an account of R & D expenditure in industry up to 1986, analysed by source of funding; an estimate of total expenditure on R & D in Britain in 1986; and international comparisons with European countries and the United States.

The Government spent some £4,590 million on R & D in 1986-87 (4·4 per cent of central government spending), largely on science and technology, but including £160 million on social science and the humanities through the UGC and the Economic and Social Research Council. The total was much the same as in 1985-86. Within the total, civil R & D was about £2,320 million, 4 per cent higher than in 1985-86, while defence R & D was about £2,260, some 3 per cent lower.

In 1986-87, 45 per cent of civil R & D expenditure was by government departments, 24 per cent by research councils and 31 per cent by the UGC. The Department of Trade and Industry (DTI) had the biggest budget, of £363 million, which accounted for a little over a third of the total for civil departments. Gross expenditure by the DTI was £487 million, two-thirds of it in industry, partly offset by receipts of £124 million. Other major spending departments were the Department of Energy, largely through the United Kingdom Atomic Energy Authority, and the Ministry of Agriculture, Fisheries and Food, in its own establishments and through the research councils.

[1] *Annual Review of Government Funded R & D 1988.* Cabinet Office. HMSO, £10·95. ISBN 0 11 412890 1.

More than 98 per cent of R & D expenditure by the Ministry of Defence (MoD) was in support of government procurement, and this accounted for almost all such R & D. The bulk of it was carried out either in industry (the largest portion) or in MoD establishments, and was classified as experimental development, the most applied category of research. The civil departments' expenditure was in support for policy and to improve technology, with a significant proportion spent on support for statutory duties. The largest element of research council expenditure was on the advancement of science, with the improvement of technology and support for policy taking smaller shares. The bulk of UGC expenditure went to the advancement of science, with a smaller part to the improvement of technology. In addition, the UGC was responsible for all support for the humanities. Basic research, which accounted for 36 per cent of civil R & D, was mostly funded by the research councils and the UGC. Experimental development represented 11 per cent of civil R & D and was wholly funded by the civil departments.

Figures for expenditure on R & D in industry, including that funded by the Government, derive from a full survey of industry carried out in 1985 and updated by a sample survey in 1986 (see pp 120-1). They show that some £5,670 million was spent in industry in 1986, 64 per cent of which came from industry itself, 13 per cent from overseas and 23 per cent from government. These figures have been used along with those for government expenditure to produce a breakdown of total British R & D, by sector in which it is performed and by source of finance. This is in terms of definitions of R & D expenditure used by the Organisation for Economic Co-operation and Development and is not derived from the figures already quoted. It gives a gross figure of £8,778 million for R & D on science and technology in 1986.

In 1986 Britain accounted for 15 per cent of civil R & D expenditure by European Community governments and for 47 per cent of defence R & D. Corresponding figures for the Federal Republic of Germany were 29 per cent and 12 per cent, for France 25 per cent and and 35 per cent and for Italy 16 per cent and 5 per cent. Total expenditure on R & D was estimated to be 2·4 per cent of gross domestic expenditure in Britain, a slightly greater proportion than in 1985, compared with 2·3 per cent in France, 1·2 per cent in Italy and 2·8 per cent in the United States.

In real terms, government R & D expenditure in 1986-87 was 3 per cent less than in 1985-86: civil expenditure rose by 0·7 per cent while the defence portion fell by 6·4 per cent. The Government projects a decline in real terms of some 7 per cent to 1990-91, with the defence share falling at a somewhat faster rate. In the same period manpower in government departments and research councils is expected to fall from about 44,600 to about 42,400.

ABRC Report

The report of the Advisory Board for the Research Councils (ABRC)[1] gives advice to the Secretary of

[1] *Science and Public Expenditure 1988: a report to the Secretary of State for Education and Science from the Advisory Board for the Research Councils.* Available free from Publications Despatch Centre, Department of Education and Science, Honeypot Lane, Stanmore, Middlesex HA7 1AZ.

State for Education and Science on the science budget, in time for the Government's annual public expenditure survey. The 1988 public expenditure White Paper (see pp 49-53) sets the 1988-89 science budget, in effect the research councils' share of research funding, at £699 million. This is £50 million greater than stated in the 1987 White Paper, the increase, including earmarked funds for AIDS research and the British Antarctic Survey, having been announced in November 1987. The report recommends further increases of £97 million in 1989-90, £131 million in 1990-91 and £151 million in 1991-92, excluding further earmarked funds. It points out that present plans imply future reductions in the science budget in real terms, amounting to over 3 per cent between 1989-90 and 1991-92.

The ABRC says that the science base is the essential seed-bed for future marketable technologies and trained scientific manpower; and that society's more widely based aspirations, as articulated in government policies, depend on it in the short and long term. Selectivity and concentration of support mean increased investment in reorganisation and restructuring, while the increasing costs of undertaking research have been well above the ability of the science base to absorb without affecting research capability. Britain's scientific output has been maintained, but it represents a declining share of world output. The United States, France and the Federal Republic of Germany have increased their output and maintained their world shares, while Japan has markedly increased its world share.

The report describes progress the research councils have made in increasing their industrial funding, economising on manpower and introducing fixed-term appointments. It says that more money is needed to continue the process of restructuring, for example the rationalisation of the Institute of Animal Health and the relocation of the Institute of Oceanographic Sciences. The process will result in a smaller number of sites and staff, but in the short term involves extra costs, including redundancy costs. Extra funding will also be necessary to enable further interdisciplinary research centres to be established. These are in fields in which there is significant new potential for exploitation, which require research across traditional boundaries, or which need some refocusing of present research activity. The ABRC proposes ten a year for the next three years, in such areas as laser-related sciences, high performance materials and environmental microbiology.

Interdisciplinary research centres will make a major contribution to providing adequate support for the highest priority areas, the report says, but cannot be comprehensive in their cover. There are many areas of science with identified strategic potential which need to be supported through existing routes, from communications networks to the chemical balance of the oceans and the atmosphere. Extra funds would sustain and develop the directed programmes of research through which research councils steer funds to priority areas, and halt and in part reverse the recent fall in the proportion of projects of the highest quality which they can support.

Of the proposed increase of £97 million in the science budget for 1989-90, £43 million would be devoted to reshaping the science base, by the establishment of interdisciplinary research centres and restructuring research council activities, and £54 million to new research, including some selective re-equipment. Additional funding of £47 million in 1989-90, with similar sums in the next two years, earmarked for AIDS research, CERN (the Joint European nuclear laboratory at Geneva), the British Antarctic Survey and the British Geological Survey, is already under consideration by the Government.

Civil Space Policy

The Government has published a memorandum[1] in response to the Second Report of the House of Lords Select Committee on Science and Technology on *United Kingdom Space Policy* (see p 82), published on 26 January and debated by the House of Lords on 30 March. The memorandum gives a statement of government policy on civil space, as requested by the Select Committee.

The Government will seek to encourage industry and the scientific community to exploit opportunities in space, based on a realistic appraisal of costs and of scientific, environmental, technological, commercial and other benefits that may be secured. Spending will be maintained at around £130 million a year. A major part of it will continue to be on a collaborative basis, in particular through the European Space Agency (ESA), where efforts will be made to keep costs to a minimum. The space programme will continue to be implemented through the British National Space Centre, responsibility for whose funding will remain with the constituent government departments.

The national programme will aim at allowing British companies to develop the technologies and expertise which will enable them to exploit British investment in ESA programmes. The main focus over the last decade has been space communications, where a substantial market has been developed and British companies compete successfully. Henceforth decisions should be made by these companies on a commercial basis, and government resources should be switched to other fields.

There is a large measure of agreement that the next area of space activity likely to yield industrial and commercial benefits is earth observation. Britain is already participating in ESA's ERS-1 satellite project, and participation in its Columbus programme has been agreed, concentrating on the polar platform element (see p 180). In addition, the Government is setting up an Earth Observation Data Centre at the National Remote Sensing complex at the Royal Aerospace Establishment, Farnborough, Hampshire, as a catalyst for the progressive development of a new service industry that uses data obtained from space as its raw material; and will continue to support the acquisition from space of observations required for operational meteorology, particularly through the European consortium Eumetsat.

[1]Copies of the memorandum are available from the DTI, Room 726, 1 Victoria Street, London SW1H 0ET.

Shorter Notes

CAREER DEVELOPMENT LOANS

A national Career Development Loan Scheme to provide loans for vocational education and training was inaugurated by the Department of Employment on 20 July. This followed a pilot scheme launched in April 1986 (see p 165, 1986) in Aberdeen, Bristol/Bath, Greater Manchester and Reading/Slough. Over 650 applicants received approval for loans during the pilot phase, with 80 per cent of trainees finding jobs immediately after training. Loans of £300 to £5,000 are available to people aged 18 or more who wish to take up job-related training and finance it themselves. To be eligible for a loan, the training must be vocational and last for a minimum of one week and a maximum of one year. Applicants provide 20 per cent of the cost of the course fees and the Government pays the interest on the loan for the duration of the course and for up to three months afterwards. Three banks are involved in providing loans: Barclays, Clydesdale and the Co-operative Bank.

The Secretary of State for Employment, Mr Norman Fowler, said that the scheme was 'a further development in government policies to improve the nation's investment in people'. The Government was already making a substantial effort on training, involving expenditure of over £3,000 million a year. This included expenditure on the Youth Training Scheme, which helped to train over 370,000 young people a year, and Employment Training (see pp 108-11),[1] due to start in September 1988, which represented 'the most ambitious and important measure ever undertaken to make high quality training opportunities available for unemployed people' and would provide training for about 600,000 people a year.

Source: Department of Employment press notice, 20.7.88.

FAIR TRADING ANNUAL REPORT

The Director General of Fair Trading, Sir Gordon Borrie, devotes the opening section of the 1987 Annual Report of the Office of Fair Trading (OFT) to consumer protection and education in relation to the rapidly expanding credit market. Sir Gordon traces the recent explosion in private borrowing to the inflationary period of the 1960s and 1970s, when a continuing price spiral made debt 'both economically sensible and respectable', overturning traditional views about the moral superiority of cash purchase. This transition was led by the general opening of the mortgage market for home purchasers.

Despite the easing of inflation in the 1980s, credit has retained a central role in the finances of individual consumers, many of whom, says the Director General, are insufficiently aware of the difficulties which over-commitment may cause in the long run. He notes that two-thirds of adults in Britain have some sort of credit commitment apart from mortgages, and that this indebtedness rose by 18 per cent in 1987 to £36,400 million. A survey by his Office found that more than 2 million borrowers felt over-extended, and that over 3 million had experienced debt repayment problems during the past five years.

Sir Gordon stresses the moral dimensions of both borrowing and lending and says that it is a clear obligation of the credit consumer to resist unwise involvement with debt and to discharge his or her responsibilities honourably so far as possible. However, in providing credit, the lender should establish the prospective borrower's existing commitments and creditworthiness to a much greater extent than at present. Lenders must, suggests Sir Gordon, abandon 'hard sell' techniques in marketing credit, and must educate their borrowers in debt management, help them to avoid default through forward planning, and advertise in such a way that consumers can avail themselves of the best possible interest terms. The Director General notes that, following legislation on an OFT initiative (see p 240, 1987), the Finance Houses Association adopted a new code of practice to regulate its dealings with prospective borrowers.

Other sections of the report concern consumer affairs, competition policy and the work of the Monopolies and Mergers Commission (MMC). The Consumer Affairs Division's activities included advice on standards for home improvements and first-time house purchase; consultations on the creation of a new code on the 'duty to trade fairly'; discussion of a code of practice to cover relations between banks and their personal customers; and the taking of assurances of future good conduct – numbering 603 – from traders whose conduct fell short of the legal standard set out in the Fair Trading Act 1973. In the year to 30 September 1987, nearly 628,000 complaints about goods and services were received, an increase over the 1986 figure of about 3 per cent. Most complaints about goods concerned home appliances, motor vehicles and accessories, consumer goods and furniture. The provision of professional services, public utilities and transport, consumer credit, and home improvements and repairs attracted the most complaints on the services side. Motor insurance schemes caused considerable dissatisfaction. The number of licences granted to consumer credit agencies rose to 20,645, up 19 per cent since 1986, with 21,605 applications received, up 8 per cent since 1986. Short-term staffing and the overall budget for the OFT were increased in 1987 to assist the computerisation of consumer credit licensing.

Turning to competition policy, the report notes that in 1987 there were 1,122 complaints or inquiries about anti-competitive practices. Five referrals were made to the MMC and action was taken on new and earlier reports of monopolies. The OFT's monitoring activities continued, notably with regard to the retail supply of petrol (see p 290) and advertising practices by solicitors.

The OFT analysed 478 mergers or proposed mergers in 1987. The Director General advised the Secretary of State for Trade and Industry on 321 of these, a record despite the temporary slowing of merger activity following the sharp fall in share prices of autumn 1987 (see p 368, 1987). Six referrals

[1]Offprinted as a COI reference paper *Training for Employment: Britain's New Programme*, No 308/88.

were made to the MMC, including the proposed acquisition of British Caledonian by British Airways (see pp 20-2). A total of 700 agreements were added to the Register of Restrictive Trading Agreements, the number submitted for registration having risen sharply. All agreements containing significant restrictions must be taken by the Director General to the Restrictive Practices Court (see pp 146-7) and in March 1987 proceedings involving nearly 200 firms for restrictive practices were completed.

Source: *Annual Report of the Director General of Fair Trading 1987*. HMSO, £7·10. ISBN 0 10 254488 3.

BRITISH AEROSPACE – ROVER GROUP AGREEMENT

Following talks between the European Commission, the Department of Trade and Industry and the Board of British Aerospace (BAe), terms for that company's acquisition of the Rover Group have been clarified and accepted by all parties. This follows the conditional agreement reached in March (see p 147).

On 14 July, the Secretary of State for Trade and Industry, Lord Young, announced terms for transfer to private ownership – subject only to approval at an extraordinary general meeting of BAe's shareholders [obtained on 11 August] – of the remaining government shareholding in what was once British Leyland. He said that, after initial reservations about the degree of commercial flexibility available to it in complying with the Commission's decision on state aid for the proposed acquisition, BAe was now prepared to pay the sum of £150 million for the Government's share of the Group. This was linked to a £469 million cash payment by the Government to cover historic debt and £78 million towards investment in assisted areas. Some items of Rover's trading debt would be assumed by BAe. Altogether, £500 million of Rover's existing trading losses would be available, after BAe's acquisition, to set against tax. This, said Lord Young, was an unchanged element of the March agreement. BAe would also be able, under tax law, to make use of up to a further £200 million of Rover's capital losses and up to £300 million in disclaimed capital allowances.

The Commission had taken note of the changes for the European motor vehicles industry and market implied by this sale. The terms of the final agreement took account of the Rover Group's recently improved performance. Lord Young noted that, in the first half of 1988, the Group had shown a profit before interest of nearly £29 million, compared with a loss of £10 million during the same period in 1987.

The Secretary of State asserted that the sale would be in the best interests of all those associated with the Rover Group who relied on its commercial viability. The firm's management had presided over the return to the private sector of 18 Rover Group businesses since May 1986, and the company could now take its place in the open market as a leading European engineering enterprise.

Sources: *Hansard* (*HL*), Vol 499, No 163, cols 981-2; Department of Trade and Industry press notice, 12.8.88.

NORTHERN IRELAND ELECTRICITY

The Government has stated its intention to make the benefits from private sector involvement in the electricity supply industry available to Northern Ireland consumers, as they would be to those in Great Britain (see pp 112-18). Making the announcement, Mr Peter Viggers, Parliamentary Under-Secretary of State for Northern Ireland, said that consideration of ways of privatising the entire electricity system there would be put in hand immediately. Electricity supply in Northern Ireland is at present the responsibility of Northern Ireland Electricity, a public corporation which operates one of the few non-interconnected systems in Europe.

The Government has also authorised increased generating capacity for Northern Ireland, to be provided by the second phase of the Kilroot power station (near Carrickfergus), to burn oil or coal – with capacity of 360 megawatts (MW) when burning coal and 520 MW when burning oil. (Its first phase, originally an oil-fired plant, is being converted to coal- or oil-firing, scheduled for completion in 1989.)

In referring to the choice of fuels for the Kilroot extension, Mr Viggers said that the Government had considered lignite (a soft brown coal of which Northern Ireland has substantial reserves) as a possible fuel, but had decided that both coal and oil prices were 'likely to remain attractive for a considerable period'. Civil works were largely complete and the generating sets had already been bought. 'Although lignite is not to be used for electricity generation immediately', he concluded, 'the reserves clearly represent an important resource for the future and the Government confidently expects that the station following Kilroot II will be lignite-fired.'

Sources: *Hansard*, Vol 137, No 190, written answers, cols 371-2; Northern Ireland Office press notice, 15.7.88; *Northern Ireland Electricity. Annual Report and Accounts 1988* (see p 290).

FAST REACTOR PROGRAMME

The Government's decision to scale down the research and development programme on fast reactors following a review was announced by the Secretary of State for Energy, Mr Cecil Parkinson, in the House of Commons on 21 July. Fast reactors would be able to extract considerably more energy from uranium than thermal reactors can, and Britain has been in the forefront of their development, including the construction of a Prototype Fast Reactor (PFR) at Dounreay (Highland), completed in 1974 and designed to demonstrate the key engineering, technical, economic and safety features of large fast reactors. The current fast reactor research programme of the United Kingdom Atomic Energy Authority (UKAEA) involves the PFR and an associated plant at Dounreay for reprocessing fast reactor fuel, together with work mainly on materials and fuel development, plant performance and safety, which takes place at a number of other UKAEA sites including Harwell (Oxfordshire), Risley (Cheshire) and Windscale (Cumbria). Net expenditure on the programme of £105 million is planned in 1988-89, of

which £50 million represents the net cost of Dounreay.

Mr Parkinson said that the Government had carried out a review of the programme in the light of the expectation that commercial use of fast reactors would not now be required for 30 to 40 years. Its aim had been to retain a position in the technology for Britain at economic cost, while account had also been taken of the importance of Dounreay to the local economy and the contribution of the workforce there to the development of the fast reactor. The Government recognised the continuing benefit from operating the PFR and had therefore decided to fund the reactor until the end of the 1993-94 financial year, which would enable operating experience to accumulate for a further five years. The reprocessing plant at Dounreay would be funded until 1996-97.

In addition to the work at Dounreay, the Government had decided to maintain a basic programme of research and development on fast reactors of £10 million a year, and the present programme would be scaled down to that level over the next 18 months. This would allow Britain to make 'a continuing contribution to the development of the technology'. Britain would also continue its support for existing collaboration with other European countries on fast reactor research.

Source: *Hansard*, Vol 137, No 192, col 1288.

HEATHROW RAIL LINK

Approval in principle for British Rail's participation in a joint venture with BAA plc for a fast direct rail link between Heathrow Airport and Paddington station in London was announced by the Secretary of State for Transport, Mr Paul Channon, in the House of Commons on 20 July. The decision follows two consultancy reports.[1] The first, issued in 1987, examined the implications of growth at Heathrow (the world's leading international airport) in the next 20 years. It confirmed that roads in the Heathrow to London corridor were generally heavily loaded, with traffic continuing to grow, and identified various ways of assisting traffic flow together with a large number of possible rail developments. The second report, published on 20 July, evaluated the responses to these findings.

Mr Channon said that the report's analysis of the comments on the main study found almost unanimous support for rail-based options, especially those involving a direct link between Heathrow and Paddington. Five specific schemes had been examined: a direct rail link, put forward by BAA plc (the operator of Heathrow Airport) in partnership with British Rail; improvements to the existing Underground connection on the Piccadilly Line to central London, submitted by London Underground Ltd; and a number of people-mover options proposed by three private sector groups. The report concluded that, while several of the schemes could be viable, the BAA/BR option was most likely to meet objectives for 'a financially viable scheme, attractive to providers of private capital, increasing consumer choice, benefiting the maximum number of people and attracting passengers off the road'.

The BAA/BR project would cost about £190 million and be financed largely by the private sector; services would start in 1993. A new branch would be built off the main line from Paddington and would run into the airport with stations under the terminal buildings. Fast direct trains would operate to Paddington, providing a regular service modelled on British Rail's 'Gatwick Express' (operating between London's Victoria station and Gatwick Airport) with a possible minimum journey time of 17 minutes. In the light of the consultant's report, Mr Channon said that he was approving in principle British Rail's participation in the project and inviting it and BAA to draw up detailed proposals. He wanted to see 'the maximum contribution from the private sector and a fully commercial return for British Rail'. He understood that the promoters intended to deposit a private Bill in Parliament in November 1988.

Mr Channon said that he shared the concern of the relevant local authorities, BAA and the road transport associations that some complementary improvements should be made to the road system around Heathrow. He was therefore commissioning two further studies which would look at various traffic-related problems concerning access to Heathrow.

Sources: *Hansard*, Vol 137, No 193, written answers, cols 610-11; Department of Transport press notice, 20.7.88.

ROAD SAFETY

The Government's initial reaction to the North report, which proposed major changes in road traffic law (see pp 177-8), and the main conclusions reached so far were given by the Secretary of State for Transport, Mr Paul Channon, in the House of Commons on 26 July. Mr Channon said that the Government had sought comments from all the main interested organisations and had been able to form a view in principle on much of the report. It recognised the 'importance of taking forward further work urgently, given the vital role of road traffic law in efforts to reduce the continuing high level of road casualties', and would announce conclusions on the report as a whole early in 1989.

The Secretary of State said that the Government accepted the report's conclusions that the present law relating to reckless driving offences did not operate satisfactorily in England and Wales and was interpreted differently in Scotland. Views were being sought on the definition of a 'very bad driving offence'. The Government supported the differentiation envisaged in the report between serious criminal behaviour and the more minor offences, and favoured the full use of alternatives to prosecution, such as the greater use of roadside warnings.

On drinking and driving the Government accepted the review's conclusion that changes in the law were necessary to ensure that drinking drivers who

[1] *Heathrow Surface Access Study Report*, £20. *Heathrow Surface Access Study: Evaluation of Consultation Responses*, £20. Both reports are available from Howard Humphreys and Partners, Thorncroft Manor, Dorking Road, Leatherhead, Surrey KT22 8JB.

caused fatal accidents could be charged and punished appropriately. Further consideration was needed on whether the recommendation for a new offence of causing death by careless driving when over the legal limit for alcohol was the best solution. The Government agreed that insurance policies against disqualification for drinking and driving were undesirable and was discussing with the insurance industry how these might best be prohibited. It would also continue to support recent initiatives by brewers and licensees to promote non-alcoholic and low-alcohol drinks.

The review had concluded that a major restructuring of the penalty points system was not necessary, and Mr Channon said that the Government accepted this. However, changes to the regulations would be made in autumn 1988 to amend penalty points awarded for a variety of driving offences, allowing the courts to deal more effectively with the serious cases. The Government agreed that disqualification from driving was a proper response to irresponsible behaviour on the roads and views were being sought on the possibility of using more short periods of disqualification, while it accepted in principle the report's suggestion that a period of disqualification should no longer remove all previously imposed penalty points from an offender's driving licence. The Government also accepted in principle that retesting of driving offenders should be more widely used, and agreed with the various recommendations relating to restructuring offences on the condition and use of vehicles and to widening powers to prohibit the movement of dangerous vehicles.

On enforcement technology, the Government endorsed in principle the use of cameras to detect speeding offences and when drivers crossed traffic lights on a red signal. It intended to test equipment in consultation with the police and to examine costs and benefits in order to assess the extent to which equipment might be used.

Sources: *Hansard*, Vol 138, No 197, written answers, cols 163-6; Department of Transport press notice, 26.7.88.

ESPRIT II

The European Commission has announced 158 projects approved for funding under Esprit II, its five-year programme, starting in 1989, to encourage pre-competitive research in information technology. British firms will be involved in 119 of the projects, more than any other member state. Their financial allocation will be about 18 per cent of the total £1,100 million funding by the Commission, a figure which is in line with Britain's contribution to the European Commission's budget. Welcoming the announcement, the Minister of Trade and Industry, Mr Tony Newton, praised not only the high level of British participation but also the quality of the projects with which British firms were involved. The scale of British involvement would ensure access for British industry to the wide range of important research findings that would emerge as a result of the programme.

Esprit (European Strategic Programme of Research in Information Technology) was launched in 1984 with the aim of promoting a European information technology industry that could stand comparison with that of the United States or Japan. It seeks to bring companies and universities together from all the member states, pooling resources and skills and expanding the potential market-place for commercial spin-offs. As in Esprit I, the first five-year phase of the programme, up to half the cost of an Esprit II project will be met by the Commission and the rest by the participants. The 158 projects approved were selected from 644 proposals.

Source: Department of Trade and Industry press notice, 29.7.88.

HOTOL DEVELOPMENT

Further development of HOTOL ('horizontal take-off and landing' – see pp 97-8, 1986), the project for a spaceplane which will use a conventional runway, should be on an international basis. Announcing this in the House of Commons on 25 July, the then Minister for Trade and Industry, Mr Kenneth Clarke, said that the Government would support efforts by British companies to find suitable collaborators but would not be providing any further financial support for the project in the foreseeable future. The Government had provided 50 per cent funding of proof of concept studies by Rolls-Royce and British Aerospace, the two main companies involved. These had now been completed, but the scale of funding required to develop HOTOL to eventual production would be far too great for Britain to contemplate on a national basis.

Source: *Hansard*, Vol 138, No 196, written answers, col 28.

Census of Population

The Government has decided that, subject to parliamentary approval, the next census of population in Great Britain should be taken on Sunday 21 April 1991. A White Paper[1] setting out the Government's proposals was published on 19 July. Separate but broadly comparable arrangements are being made for a census on the same day in Northern Ireland.[2]

MINISTERIAL STATEMENT

Announcing the proposals in the House of Commons on 19 July (*Hansard,* Vol 137, No 193, written answers, cols 597-9), the then Secretary of State for Social Services, Mr John Moore, said that the Government believed that the topics to be included in the census should be those most needed by central and local government, business and the professions. It was also essential that the census should be generally acceptable to the public and not be an unreasonable burden on them. The proposed content was broadly similar to that of the 1981 census but with four additional questions, on central heating, long-term illness, hours worked and the term-time address of students. A final census test, covering some 85,000 households, would be held in selected areas in April 1989 to ensure that procedures and publicity would be effective and to assess the reaction of the public to the proposed questions.

Mr Moore said that the Government proposed to include a question on ethnic group in the census test and to study the public response before deciding whether it should be included in the final plans for the 1991 census. The Government recognised that the House of Commons Home Affairs Committee, in a report in 1983 on ethnic and racial questions in the census, had made a good case in principle for inclusion of such a question; subsequent consultation with government departments and local and health authorities had confirmed the need for the kind of information it would provide for local areas. The question should be formulated in an understandable and acceptable way, and the Office of Population Censuses and Surveys, with the help of the Commission for Racial Equality, had developed a form of question most likely to meet these criteria.

The Secretary of State said that the public could be reassured that the information they provided would be treated in strict confidence. The British Computer Society would be making an independent review of the data protection, confidentiality and security arrangements for the 1991 census, and its findings would be published before the census.

WHITE PAPER

The White Paper says that the census will be the nineteenth in a series carried out every ten years in Great Britain since 1801, except in 1941. It explains that the census is needed to provide Government, local and health authorities, businesses and the professions with authoritative and accurate information, comparable for all parts of the country, about the number and characteristics of people and households. The Government needs this information to form policy, plan services and distribute resources effectively. This need for information is shared by the European Community, which, in a directive adopted in 1987, called on member countries to hold a population census between 1 March and 31 May 1991, or to prepare equivalent statistics by other methods. The 1991 census will include everyone in the country and enumerators will call on each household to deliver, and later collect, a form for the household to complete, while communal establishments (such as hotels and hospitals) will be similarly enumerated.

Topics

The Government proposes that questions on the following topics should be asked in the 1991 census:

At all addresses: the address of the household or establishment; the names of people present on census night, and in households, people who usually live in the household but are absent on census night.

For each household: type of accommodation and extent of sharing; tenure; number of rooms; availability of bath and lavatory; central heating; number of cars and vans available; lowest floor level of accommodation (in Scotland only).

For each person: sex; date of birth; marital status; relationship in household; whereabouts on census night; usual address; term-time address of schoolchildren and students; usual address one year previously; country of birth; long-term illness; whether

[1] *1991 Census of Population.* Cm 430. HMSO, £3·60. ISBN 0 10 104302 3.

[2] Details were announced by the Parliamentary Under-Secretary of State for Northern Ireland, Mr Richard Needham, on 18 August. It is proposed as in previous censuses to include a question on religion, to be answered on a voluntary basis. It is also proposed to include a question on the Irish language.

working in the week before the census; hours worked weekly; occupation; industry; address of place of work; means of travel to work; higher qualifications; Scottish Gaelic (in Scotland only); Welsh language (in Wales only).

The White Paper says that tests had shown that the great majority of people in all ethnic groups would be content to respond to a question on ethnic group, but that a small number objected in principle to the inclusion of any question of this kind in a census. The opposition of even a small minority of people to an ethnic group question could impinge on the census generally and seriously degrade the quality and usefulness of census information on all topics. The potential advantages of having census information on ethnic groups therefore had to be weighed against the risk that including such a question could damage the value of the census as a whole. The White Paper gives the form of question proposed after extensive trials and discussions for inclusion in the census test in April 1989, and requests views from members of the public or representative bodies on whether they would be prepared to answer the question in a census, by 31 March 1989.

Parliamentary Process and Results

Following the completion and evaluation of the April 1989 census test, the Government will seek parliamentary approval for its proposals in accordance with the Census Act 1920. After the census, preliminary reports of population counts will be published as soon as possible; key results should be available to all local authorities by May 1992. The main results will be issued within two years of the census date.

Education Reform Act 1988

The Education Reform Bill received the Royal Assent on 29 July. Various amendments were made to the Bill during its passage through Parliament, some of the more important of which are listed below.

The Act, which is designed to improve the quality and choice of education and to extend the rights of parents, had its second reading in the House of Commons on 1 December 1987 (see pp 426-8, 1987).

Grant Maintained Schools

Before a school can apply for grant maintained status, it must follow prescribed balloting procedures to determine whether parents are in favour of such action. If 50 per cent or more of parents vote in a first ballot, the result is binding; however, when less than 50 per cent vote, a second ballot must be held within 14 days. All ballots will be decided by a simple majority, and the result of a second ballot will be conclusive irrespective of the numbers voting.

Religious Education and Collective Worship

Religious education is made part of the basic curriculum and due recognition is given to the place of Christianity within religious education and collective worship.

Charging

The principle of free school education is outlined and the limited category of school activities for which parents may be charged is defined.

City Technology Colleges

Provision is made in the Act for the setting up of city colleges for the technology of the arts in which emphasis will be on applying technology to the performing and creative arts.

Inner London Education Authority (ILEA)

The ILEA will be abolished and its powers transferred to the inner London boroughs (see p 79).

Academic Freedom

A definition of 'academic freedom' is provided in the Act so as to help clarify the rights of lecturers to question established ideas and put forward new ones without risking jeopardising their position.

Bogus Degrees

In order to curtail the trade in bogus degrees and to protect the reputation of British higher education, the power to award degrees is restricted to bodies authorised by Royal Charter or statute. Unauthorised bodies awarding or offering to award qualifications using such terms as 'degree', 'bachelor', 'master' or 'doctor' will be committing a criminal offence.

Shorter Notes

NEW BELFAST SOCIAL PROGRAMME

A new central unit is to co-ordinate the work of eight action teams, each with an annual budget of £500,000, set up to tackle the social, economic and environmental problems of the most disadvantaged areas in Belfast.

Giving details on 19 July, the Secretary of State for Northern Ireland, Mr Tom King, said that much progress had been made in improving housing conditions in Belfast and revitalising the city centre. A number of areas, however, still had a depressing physical environment, and a population with high levels of unemployment, relatively low levels of skill and poor educational qualifications. The Government, he stressed, was determined to do everything it could to help improve the quality of life of the people in these areas. An extra £10 million would be allocated for expenditure on projects in the current financial year ending in March 1989.

Four teams have been established in Belfast in the past 18 months. Under the new programme – 'Making Belfast Work' – these are being doubled to eight and efforts will focus on increasing employment prospects, training opportunities and access to the labour market; improving the educational performance of school-leavers and increasing access to post-school education; developing health care and health promotion; improving the quality of the environment; and strengthening the contribution of voluntary community bodies.

Mr King said that there were disadvantaged areas in all parts of the city, especially in West Belfast, and

that these covered both the Protestant and Catholic communities. The Northern Ireland Environment Minister, Mr Richard Needham (who has special responsibility for Belfast), would take charge of the programme. He would be supported by a new central government unit and would work closely with other public agencies and the private and voluntary sectors.

Source: Northern Ireland Office press notice, 19.7.88.

WELSH LANGUAGE BOARD

The Government is to establish a special body to advise on matters relating to the Welsh language, the Secretary of State for Wales, Mr Peter Walker, announced in the House of Commons on 20 July. Mr Walker said that he had accepted the proposal of the advisory group on the Welsh language to set up a Welsh Language Board – Bwrdd yr Iaith Gymraeg.

The tasks of the Board will be to develop voluntary codes of practice on the use of Welsh in the public and private sectors; to advise on the use of Welsh in public administration; to investigate complaints, and discuss such complaints with the parties involved and advise on practical solutions where possible; to review and report on grant-supported activity; to liaise with statutory and non-statutory bodies on language issues; and to advise the Secretary of State for Wales on matters relating to the Welsh language and consider specific issues referred to it by the Secretary of State.

The Board will work through specialist subcommittees which will concentrate initially on the promotion of the Welsh language; the use of the Welsh language by local authorities and public bodies; the use of the Welsh language in the private sector; and proposals for legislation.

At a press conference on the same day, Mr Walker said that the Government's aim was to give a high priority to the Welsh language and to see its knowledge and use increased throughout the Principality. Under the new educational reform legislation (see pp 426-8, 1987, and p 287) the language had for the first time a statutory support that would guarantee a wider teaching of Welsh within the Principality. In Wales, Welsh will constitute a core subject in Welsh-speaking schools and a foundation subject elsewhere.

Welsh is one of the Celtic languages, with a rich and varied literature from medieval times to the present day. At the last census in 1981 it was spoken by nearly 19 per cent of the population in Wales, although only 1 per cent spoke only Welsh. The Welsh Language Act 1967 granted Welsh equal validity with English in the law courts; there are now many more bilingual publications and official forms than formerly; and highway authorities are also encouraged to make most road signs bilingual.

Sources: *Hansard,* Vol 137, No 193, written answers, cols 637-9; Welsh Office press notice, 20.7.88.

MORE GOVERNMENT AID FOR TREE PLANTING

The Government is to give a further £3 million to replace trees lost in the great storm of October 1987 (see p 415, 1987, and pp 25 and 68). Task Force Trees (see p 153) will receive £2·5 million for the next phase of its restoration programme for amenity trees and English Heritage £500,000 for grants to owners of outstanding parks and gardens damaged by the storm.

Making the announcement on 28 July, the Earl of Caithness, Minister of State at the Department of the Environment, said that this additional aid was part of a longer-term programme of restoration, of which further details would be announced.

Task Force Trees is continuing to play an important role in helping to restore parks and gardens of outstanding architectural or historic interest. English Heritage has carried out a survey of the gardens affected and is providing both expert advice to owners and grant assistance towards the costs of clearance and replanting of gardens to historically authentic designs.

Sources: *Hansard* (*HL*), Vol 500, No 173, written answers, cols 482-3; Department of the Environment press notice, 28.7.88.

Government and Administration

Buckingham Palace. COI, No 90/88.

Clarence House. COI, No 91/88.

St James's Palace. COI, No 92/88.

Hampton Court Palace. COI, No 189/88.

The Royal Yacht and the Queen's Flight. COI, No 112/88.

Trooping the Colour. COI, No 220/88.

United Kingdom Government Ministers. COI, No 61/88/1.

The Conduct of Local Authority Business: The Government Response to the Report of the Widdicombe Committee of Inquiry (see p 261). Cm 433. HMSO, £5·90. ISBN 0 10 104332 5.

Reform of Section 2 of the Official Secrets Act 1911 (see p 219). Cm 408. HMSO, £2·60. ISBN 0 10 104082 2.

Private Sector Involvement in the Remand System (see p 258). Cm 434. HMSO, £3·20. ISBN 0 10 104342 2.

Punishment, Custody and the Community (see p 259). Cm 424. HMSO, £3·60. ISBN 0 10 104242 6.

Report of Her Majesty's Chief Inspector of Fire Services for England and Wales 1987. Cm 423. HMSO, £5·30. ISBN 0 10 104232 9.

Westminster Abbey. COI, No 95/88.

External Affairs and Defence

The Commonwealth Yearbook 1988. HMSO, £18·50. ISBN 0 11 580237 1.

The British Council report 1987-88 (see p 263). Available free from the British Council, 10 Spring Gardens, London SW1A 2BN. ISBN 0 86355 067 3.

The Crown Agents. COI, No 66/88.

Britain's Defence Policy: the 1988 White Paper. (Reproduced from *Survey of Current Affairs.*) COI, No 243/88.

The Political Impact of the Process of Arms Control and Disarmament. Third Report from the House of Commons Foreign Affairs Committee, Session 1987-88. Report, together with the Proceedings of the Committee, Minutes of Evidence and Appendices. HMSO, £12. ISBN 0 10 228088 6.

Current UK Policy Towards the Iran/Iraq Conflict. Second Report from the House of Commons Foreign Affairs Committee, Session 1987-88.

Vol 1. Report, together with the Proceedings of the Committee. HMSO, £6·90. ISBN 0 10 298688 6.

Vol 2. Minutes of Evidence with Appendices. HMSO, £12. ISBN 0 10 298788 2.

British Overseas Aid 1987. Annual review of the work of the Overseas Development Administration. HMSO, £7·95. ISBN 0 902500 30 9.

Famine in the Horn of Africa. Observations by the Government on the First Report from the House of Commons Foreign Affairs Committee, Session 1987-88. Cm 432, HMSO, £2·20. ISBN 0 10 104322 8.

Economic and Scientific Affairs

Keith: Further Proposals. Summarises progress made since the publication of the earlier consultative document *The Inland Revenue and the Taxpayer* (see p 40, 1987), which itself had been issued in response to the recommendations of the Keith Committee (see p 145, 1983) on income tax, corporation tax and capital gains tax. Available from the Board of Inland Revenue, Reference Room, Somerset House, London WC2R 1LB. £3.

A New Public Expenditure Planning Total (see p 273). HM Treasury. Cm 441. HMSO, £2·80. ISBN 0 10 104412 7.

Young People and the Labour Market: A Challenge for the 1990s. A report by the National Economic Development Office and the Training Commission which looks at implications for employers of fewer young people in the labour market by 1995. Available from NEDO Books, Millbank Tower, Millbank, London SW1P 4QX. £8. ISBN 0 7292 0926 1.

Britain's Aerospace Industry. COI, No 158/88.

Performance and Competitive Success: Strengthening Competitiveness in UK Electronics. A report prepared for the National Economic Development Council's Electronics Industry Sector Group by McKinsey & Company. Stresses the need for comprehensive action by British companies in an increasingly competitive world market. Available from the National Economic Development Office, Millbank Tower, Millbank, London SW1P 4QX. £50. ISBN 0 7292 0927 X.

Performance and Competitive Success: Government IT Policies in Competing Countries. A report prepared for the National Economic Development Council's Electronics Industry Sector Group by the Science Policy Research Unit, University of Sussex. A study of European (including British), United States and Japanese government policies on information technology (IT) and their roles in the industry's development. Includes recommendations for IT policies to assist growth in the sector. Available from the National Economic Development Office, Millbank Tower, Millbank, London SW1P 4QX. £25. ISBN 0 7292 0928 8.

Petrol Retailing in the UK. Second Report from the House of Commons Trade and Industry Committee, Session 1987-88. Together with the Proceedings of the Committee, Minutes of Evidence and Appendices. Recommends an investigation into prices charged by oil companies, resulting from findings that a complex monopoly is limiting competition in the industry against the public interest. HMSO, £13·50. ISBN 0 10 238488 6.

English Tourist Board. Annual Report 1987-1988. Reviews the work of the Board over the past year, with special reference to inner city tourism and regional tourist boards. Available from the Board, Thames Tower, Black's Road, London W6 9EL. £5.

Tourism '88 (see p 277). Available free from the Department of Employment, Steel House, Tothill Street, London SW1H 9NF.

Intervention Board for Agricultural Produce. Annual Report 1987. The Board administers the market support measures of the Common Agricultural Policy. Expenditure rose by £108·6 million to £2,398·6 million in 1987 and receipts rose by £51 million to £614 million. Although intervention stocks of beef rose, those for cereals, butter and skimmed milk powder were substantially reduced and the value of all stocks fell by £412 million to under £626 million. Cm 404. HMSO, £6·80. ISBN 0 10 104042 3.

Chernobyl: the Government's Reaction. Second Report from the House of Commons Agriculture Committee, Session 1987-88.

Vol I. Report and Proceedings of the Committee. HMSO, £4·70. ISBN 0 10 027248 7.

Vol II. Minutes of Evidence and Appendices. HMSO, £18·50. ISBN 0 10 027298 3.

Report on Priorities in Animal Welfare Research and Development. Available unpriced from the Farm Animal Welfare Council, Government Buildings, Hook Rise South, Tolworth, Surbiton, Surrey KT6 7NF.

Sea Fisheries Statistical Tables 1986. Ministry of Agriculture, Fisheries and Food. HMSO, £8·50. ISBN 0 11 241208 4.

Digest of United Kingdom Energy Statistics 1988. Department of Energy. HMSO, £13·50. ISBN 0 11 412890 1.

The Structure, Regulation and Economic Consequences of Electricity Supply in the Private Sector. Third Report from the House of Commons Energy Committee, Session 1987-88.

Vol I. Report and Proceedings of the Committee. HMSO, £7·60. ISBN 0 10 297088 2.

Vol II. Memoranda of Evidence. HMSO, £15·70. ISBN 0 10 297388 1.

Vol III. Minutes of Evidence. HMSO, £14·70. ISBN 0 10 297288 5.

The Electricity Council. Annual Report and Accounts 1987-88. Available from the Electricity Council, 30 Millbank, London SW1P 4RD. £2·50. ISBN 0 85188 116 5.

Northern Ireland Electricity. Annual Report and Accounts 1988. Available unpriced from Northern Ireland Electricity, P.O. Box 2, Danesfort, 120 Malone Road, Belfast BT9 5HT. ISBN 0 948886 03 X.

United Kingdom Atomic Energy Authority Annual Report 1987-88. Available from the UKAEA, 11 Charles II Street, London SW1Y 4QP. £3. ISBN 0 7058 1228 6.

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London Regional Transport. Annual Report and Accounts 1987-88. Available from LRT, 55 Broadway, London SW1H 0BD. £2.

British Railways Board Annual Report and Accounts 1987-88. British Railways Board. Available from HMSO, £5.

Civil Aviation Authority. Annual Report and Accounts 1987-88 (see p 279). Available from the CAA, P.O. Box 41, Cheltenham, Gloucestershire. £7. ISBN 0 86039 349 6.

British Waterways Board. Report and Accounts 1987-88. Available from the British Waterways Board, Melbury House, Melbury Terrace, London NW1 6JX. £5·60.

The Post Office. Report and Accounts 1987-88. The Post Office, 33 Grosvenor Place, London SW1X 1PX. £2·50. ISBN 0 946165 15 7.

Annual Review of Government Funded R & D 1988 (see p 280). Cabinet Office. HMSO, £10·95. ISBN 0 11 412890 1.

Industrial Research and Development in Britain. COI, No 297/88.

Science and Public Expenditure 1988: a report to the Secretary of State for Education and Science from the Advisory Board for the Research Councils (see p 280). Available free from Publications Despatch Centre, DES, Honeypot Lane, Stanmore, Middlesex HA7 1AZ.

Meteorological Office Annual Report 1987. Ministry of Defence. HMSO, £11·95. ISBN 0 11 400356 4.

Our Common Future. A Perspective by the United Kingdom on the Report of the World Commission on Environment and Development. Available free from the Department of the Environment, Room A305, Romney House, 43 Marsham Street, London SW1P 3PY.

Integrated Pollution Control. A consultation paper. Sets out the Government's proposals for a system of integrated pollution control for certain types of industrial processes that discharge significant quantities of harmful waste. Available free from the Department of the Environment, Room A302, Romney House, 43 Marsham Street, London SW1P 3PY.

Pollution of rivers and estuaries: observations by the Government on the third report of the committee in session 1986-87. Third special report of the House of Commons Environment Committee. The Government's programme has five main elements: a clear and comprehensive framework of statutory quality objectives and standards for all rivers and estuaries; a strong National Rivers Authority, with wide pollution control powers and responsibilities; new measures to combat the rising trend of farm pollution incidents; policies to minimise the amounts of the most dangerous substances in rivers and estuaries by more stringent controls on industrial discharges (see pp 417-18, 1987); and measures to upgrade and improve the performance of sewage treatment works through a £700 million programme. HMSO, £5·10. ISBN 0 10 254388 7.

Inputs of dangerous substances to water: proposals for a unified system of control. A consultation paper giving the Government's detailed proposals for tightening controls over the input of the most dangerous substances to water – known as the 'Red List'. Available free from the Department of the Environment, Room A412, Romney House, 43 Marsham Street, London SW1P 3PY.

Radioactive Waste Management Advisory Committee: Ninth Annual Report. Department of the Environment. HMSO, £5·30. ISBN 0 11 752131 0.

The ozone layer: implementing the Montreal Protocol. House of Lords Select Committee on the European Communities. HMSO, £4·30. ISBN 0 10 409488 5.

Social and Cultural Affairs

1991 Census of Population (see p 286). Department of Health and Social Security and Scottish Office. Cm 430. HMSO, £3·60. ISBN 0 10 104302 3.

Occupational Mortality: Childhood Supplement: the Registrar General's decennial supplement for England and Wales 1979-80, 1982-83. Office of Population Censuses and Surveys. The report presents differences in mortality in childhood in England and Wales between social and occupational groups for the years 1979-80 and 1982-83. It shows that at all ages in infancy and in childhood death rates from all causes in each social class for male and female children were substantially lower around 1981 than around 1971. The improvement over the decade was often more than 30 per cent. For all causes of death, mortality rates are about twice as high in social class V (unskilled occupations) as in social class I (professional occupations). HMSO, £6·80. ISBN 0 11 691232 4.

The Future of the National Health Service. Fifth Report from the House of Commons Social Services Committee, Session 1987-88. HMSO, £7·60. ISBN 0 10 261388 5.

Resourcing the National Health Service: Prospects for 1988-89. Third Report from the House of Commons Social Services Committee, Session 1987-88. HMSO, £3·90. ISBN 0 10 254788 2.

Health Service Commissioner. Annual Report for 1987-88. HMSO, £5·20. ISBN 0 10 253488 8.

Tackling Drug Misuse: A Summary of the Government's Strategy (third edition). Describes the Government's strategy for counteracting and preventing drug misuse and records developments since the first edition, which was published in 1985. Available unpriced from Home Office, C5 Division, Room 143, 50 Queen Anne's Gate, London SW1H 9AT.

Secondary Schools: An Appraisal by HMI [HM Inspectors]. A report based on inspections in England 1982-1986. Department of Education and Science. HMSO, £4·95. ISBN 0 11 270653 3.

Advancing A Levels. Report of a Committee appointed by the Secretary of State for Education and Science and the Secretary of State for Wales (under the chairmanship of Professor Gordon Higginson). Recommends broadening GCE A-level programmes of study. HMSO, £3·50. ISBN 0 11 270652 5.

Report of the Inquiry into Child Abuse in Cleveland 1987. The report of an inquiry by Lord Justice Elizabeth Butler-Sloss into the arrangements for dealing with suspected cases of child abuse in Cleveland set up in July 1987 following an unprecedented rise there in the diagnosis of child sexual abuse in early 1987. The report offers conclusions and recommends, among other things, the establishment of special assessment teams, improved training for

those who handle child abuse work and the creation of an Office of Child Protection with powers to include scrutiny of local authority applications in care proceedings. Cm 412. HMSO, £14·50. ISBN 0 10 104122 5. In a statement in the House of Commons on 6 July (*Hansard*, Vol 136, No 181, cols 1061-77), the then Minister for Health, Mr Antony Newton, outlined government action to ensure that the more general lessons of the report were applied not only to prevent a recurrence of similar events but to improve the handling of child abuse throughout the country.

Working Together: a guide to arrangements for inter-agency co-operation for the protection of children from abuse. Drawing on wide-ranging consultation between government departments and staff in relevant agencies, this document consolidates previous guidance on procedures and recommends developments aimed at making them more effective. Department of Health and Social Security and the Welsh Office. HMSO, £4·90. ISBN 0 11 321154 6.

Commission for Racial Equality: Annual Report 1987. Reports that while racial disadvantage and discrimination persist, substantial progress was made in 1987 in law enforcement. In particular, there was a doubling of the success rate in tribunal cases for the complainants seeking redress in employment discrimination. Available from Commission for Racial Equality, Elliot House, 10-12 Allington Street, London SW1E 5EH. £1. ISBN 0 907920 96 9.

Changing the rights of way network. A discussion paper by the Countryside Commission, outlining ideas for simplifying the legislation on creating, diverting and closing rights of way. CCP 254. Available unpriced from Countryside Commission Publications, 19-23 Albert Road, Manchester M19 2EQ. ISBN 0 86170 205 0.

Report of the Gaming Board for Great Britain 1987-88. Home Office and Scottish Office. Cm 549. HMSO, £5·90. ISBN 0 10 254988 5.

Independent Broadcasting Authority Annual Report 1987-88. Available unpriced from IBA, 70 Brompton Road, London SW3 1EY. ISBN 0 900485 55 8.

Cable Authority Annual Report and Accounts 1987-88. Available from Cable Authority, Gillingham House, 38-44 Gillingham Street, London SW1V 1HU. £4·50.

Report of the Broadcasting Complaints Commission 1988. Cm 599. HMSO, £8·30. ISBN 0 10 259988 2.

The Future of Broadcasting. Third Report of the House of Commons Home Affairs Committee, Session 1987-88.

Vol I. Report, together with the Proceedings of the Committee. HMSO, £6·90. ISBN 0 10 296688 5.

Vol II. Minutes of Evidence and Appendices. HMSO, £18·50. ISBN 0 10 296788 1.

The Government's Plans for Radio Broadcasting. The Government Reply to the Second Report of the House of Commons Home Affairs Committee, Session 1987-88. The Government welcomes the Committee's backing for the proposals to set up a new radio authority and to license up to three new national commercial radio services (see p 113, 1987). HMSO, 90p. ISBN 0 10 104112 8.

The British Museum. COI, No 312/88.

The National Gallery. COI, No 132/88.

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